

# Introducing HCH TrueChoice™ level-funded health plan

With savings, plan control, predictable payments, and a potential refund, here's why HCH TrueChoice is the right choice!

- Do you have 15-500 covered employees and feel like you're paying too much for too few benefits?
- Are you paying an insurer a fixed monthly amount for your employee benefits, but not being rewarded for lower claims?
- Are you thinking about moving away from fully insured to self-funding but want to limit your claim exposure?
- Are you self-insured but wanting to lower your monthly risk?

Employers are ready for change. Our evidence-based, data-tailored solutions—combined with a member-centric approach—can help you make that happen.

With superior network contracts that result in instant upfront savings, HCH TrueChoice is a new, true differentiator for mid-market employers.

**It's time to make the right choice.**

## A fully insured plan only benefits your insurer's bottom line. Not yours.

With HCH TrueChoice, the employer pays a fixed monthly amount for their employee medical benefits—a fixed amount that covers claims, fees, and stop-loss coverage to cap exposure. Then, six months after year-end, any unused money in the claim fund is shared with the employer at 50%.

### HCH TrueChoice Level-Funded Plan Year-end Accounting Illustration

	Claims are lower than expected	Claims are higher than expected
Admin and other fees	\$240,000	\$240,000
Stop-loss premium	\$450,000	\$450,000
Claims funding	\$1,485,000	\$1,485,000
<b>Total initial spend</b>	<b>\$2,175,000</b>	<b>\$2,175,000</b>
Actual claims paid	\$1,080,000	\$1,620,000
<b>Surplus</b>	<b>\$405,000</b>	<b>\$0</b>
<b>Employer Surplus</b>	<b>\$202,500</b>	<b>\$0</b>
<b>Result:</b>		<b>Result:</b>

The employer shares in 50%\* (½) of the balance after the six-month run-out period.

No penalty to the employer. Stop-loss covers the difference. Total spend remains the same as the initial spend.

\*The shared amount (shown here as 50%) may vary based on different percentage agreements.

HCH TrueChoice is unique. Designed to fit the mid-market employer, this plan allows employers with covered employee lives of 15-500 to benefit.

HCH TrueChoice is built around HCH Sync, a high-performance network curated for quality through financial efficiency and improving patient health outcomes. HCH selectively limits hospital partners based on quality metrics related to patient safety, patient outcomes, and patient satisfaction—all at a significantly lower cost.

## How HCH TrueChoice™ works to deliver more.

With HCH TrueChoice, claims are paid from the claim funding portion of the monthly cost for claims below the plan’s stop-loss coverage level. When a plan year runs better than expected, employers receive a refund. For large claims above the monthly exposure level, the stop-loss coverage kicks in to cover the employers’ excess claims costs.

The monthly payment would cover an employer’s fixed costs: the stop-loss insurance, administrative fees, and 1/12<sup>th</sup> of the maximum annual claims liability.

With HCH TrueChoice, employers are not subject to recouped deficit costs if claims go past the maximum contribution. And, after the 6-month run-out period, 50% of the unused dollars remaining in the claim fund are refunded to the employer.

## Value-added benefits.

Healthcare Highways offers member-focused services with HCH TrueChoice, like comprehensive chronic kidney disease risk management, and telehealth.

We also make sure members are cared for outside the doctor’s office, with an exceptionally rated customer service team. We also provide human resources teams with the technology and tools—like a dedicated portal—to check member eligibility and claims.

**Savings, plan control, predictable payments, and a potential refund make HCH TrueChoice a great choice!**

