

## Percentile-of-Use Method



## Calculator Models



### How Model Works

Maps user's stated **medical services needs** across 26 types of services (e.g., office visits, labs, tests, Rx, surgeries) against actuarial data tables published by Federal Actuarial Value Calculator (A/V), based on the Blue Health Intelligence database of ~195 million claimants.

Then it applies a **geographic cost factor**.

Employee expense is calculated by running type-of-service data against the plan-design details to project **premium and total expected OOP costs less employer contributions**.

**Multiplies user inputs of units of service by an estimated cost of service**, either a copay or expected cost-of-service coinsurance.

**Requires the employee to input detailed estimates** of historical and anticipated medical services and Rx data for each family member based on available information or conjecture.

**Generally, provides user with a single plan option** rather than a side-by-side comparison of available medical plans, which is provided by percentile-of-use models.

### Typical Cost

#### LOWER:

Fewer than 1,000 employees is \$3,000 + \$5 PEPY  
More than 1,000 employees is \$5,000 + \$3 PEPY

#### HIGHER:

Cost is typically higher due to complexity of setup.  
\$12 to \$18 PEPY depending on # of employees

### User Format

Branded website with video  
4 multiple-choice/response questions  
Comparative results page

Interactive audio-visual avatar cartoon character instructs employees on what to do

### Provides Medical Plan Comparison

**YES:** Provides employee with a value core and cost comparison of the available health plan options

**NO:** Provides employee with a recommended best-choice plan based on the information provided

### Objectivity

**YES. 100% consumer centric:** Results consider only healthcare costs and plan features relevant to the user

**NOT ALWAYS:** Often considers carrier or plan-sponsor interests in recommendation results

### Expected HDHP Plan Selection Results

While algorithm is unbiased, it is typical to see a minimum **15-25% shift in population to HDHPs**

Less likely to recommend HDHPs for high-level users of medical services than percentile-of-use method

### Spanish Version

**YES:** Includes Spanish-language version at no cost

**NO:** Spanish-language version unavailable due to complex, lengthy interaction and high cost

### Audio-Visual Content

**YES:** Includes optional explainer videos to help guide users through decision-support process

**YES:** Uses audio-visual avatar to help guide users through decision-support process

### Employee Personal Information Required

**NO:** No personal user information is required. Employee answers 4-5 multiple-choice questions plus zip code. No research or estimating, top-of-head responses

**YES:** Asks employee to input detailed historical information such as # of service visits (e.g., ER, PCP, specialist) and Rx information for each family member. Requires some research and estimating

### Time to Complete

**4-5 minutes**, including multiple scenarios

**25-40 minutes** is the typical time to complete



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#### Set-Up Turnaround

Typical set-up turnaround time is 48 hours

Set-up turnaround time often spans 4-6 weeks

#### Broker Set-Up Time

**NONE:** Brokers help gather benefits plan information but are not involved in setup

**HIGH:** Broker setup is generally required for employers with fewer than 2,000 employees

#### Mobile Compatible

**YES:** Mobile friendly, easy to demo, simple to navigate. Compatible with any online benefits enrollment platform

**SOMETIMES:** Not mobile compatible when embedded into third-party enrollment tools

#### Risk-Aversion Assessment

Risk aversion built into question responses. A risk-averse individual will provide a more conservative self-assessment

Considers intrusive and personal questions like annual income, savings and comfort with risk

#### Normative Data

Uses the Blue Health Intelligence database and Federal A/V Calculator for metal-level ACA designations ~195 million claimants.

Regional cost adjustments based on zip code

Meet Alex and Ask Emma use Healthcare Bluebook for normative data, which would support the unit cost calculator-model approach

#### Uses Personal Health Information (PHI)

**NO:** Completely de-identified information requested from employee. No PHI requested or maintained, so there is no risk or potential liability for the employer

**YES:** Requests intrusive and personal user information like annual income, savings and comfort with risk. Typically ties to employee enrollment record, so PHI is traceable

#### Focus

100% focused on helping employees choose the optimal benefits plan for lowest cost

Time spent on non-medical insurance products dilutes effectiveness and user attention span

**NOTE:** The information above is not validated with providers of “calculator models,” is subject to changes and presented for informational purposes ONLY from publicly available information that, to the best of our knowledge, overviews those products.

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