

# ANCILLARY AMBASSADORS, IN ASSOCIATION WITH



PRESENTS



# COMPANIES SAVINGS EXAMPLES

Company / Industry	# of US Employees	Net Economic Savings Annually
Staffing Company	350,000	\$1,050,000,000
Manufacturing Company	55,000	\$185,000,000
Retail Chain	25,000	\$85,540,000
Warehouse Company	1,400	\$4,600,000
Restaurant Chain	250	\$845,000
Small Business	14	\$45,000



# WHAT DOES THE CHAMP PLAN DO?



## Provides pretax benefits under Section 125

- + Health management program
- + Medical coverage for all employees enrolled\*

*\*DOES NOT INTERFERE WITH OR REPLACE CURRENT HEALTH PLAN*



Provides the company a fixed guaranteed savings of \$573.60 and up to an additional \$1,425 in savings per employee per year. That's over \$2,000 per employee per year!



Increases employees pay by average of \$1,500/year net ( \$125/month)



# SECTION 125 PRE TAX DEDUCTIONS

The CHAMP Plan™ is a Section 125-cafeteria plan.  
It is employer sponsored, voluntary self funded benefit plan.

## Examples of a 125 -Cafeteria Plan are:

Flexible Spending Account (FSA), Medical, Prescription, Wellness, Dental, Vision, Disability, Medicare Supplement, Hospital Indemnity, Accident, Employee Savings, and Health Management Programs

## Employer Savings:

- Employers save the matching Social Security (**6.20%**) and Medicare (**1.45%**) taxes for a total of **7.65%**
- Generating a guaranteed savings of **\$573.60** per participating employee, per year (**\$47.80** per month, per employee)

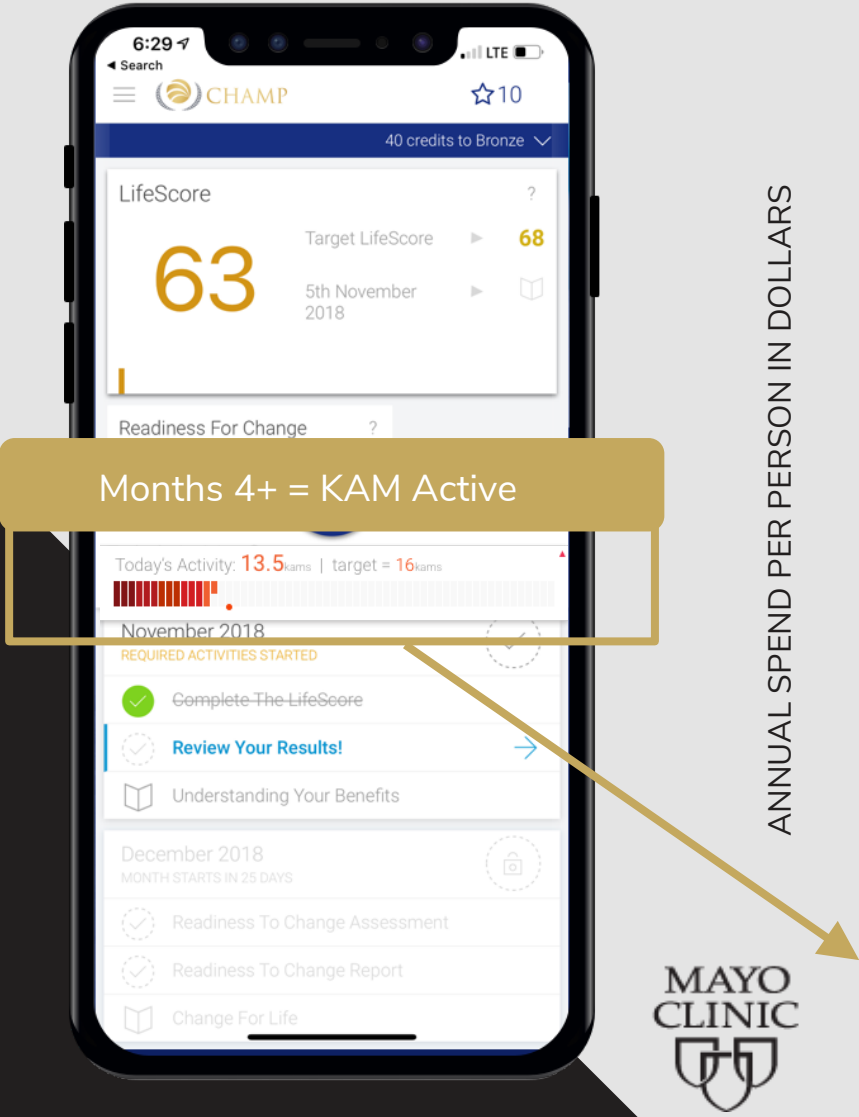
## Employees Savings:

- Most employees will see a ~~net~~ increase on their check due to less payroll taxes taken out as a reduction of payroll taxes. The savings come from reduced state, and federal income taxes, including Social Security and Medicare.
- Employees typically see their Net Pay go up **\$30 to \$500/month** by participating in the CHAMP Plan™
- Reduces taxable income by **\$14,400** per year per participant (**\$1,200 x 12**)



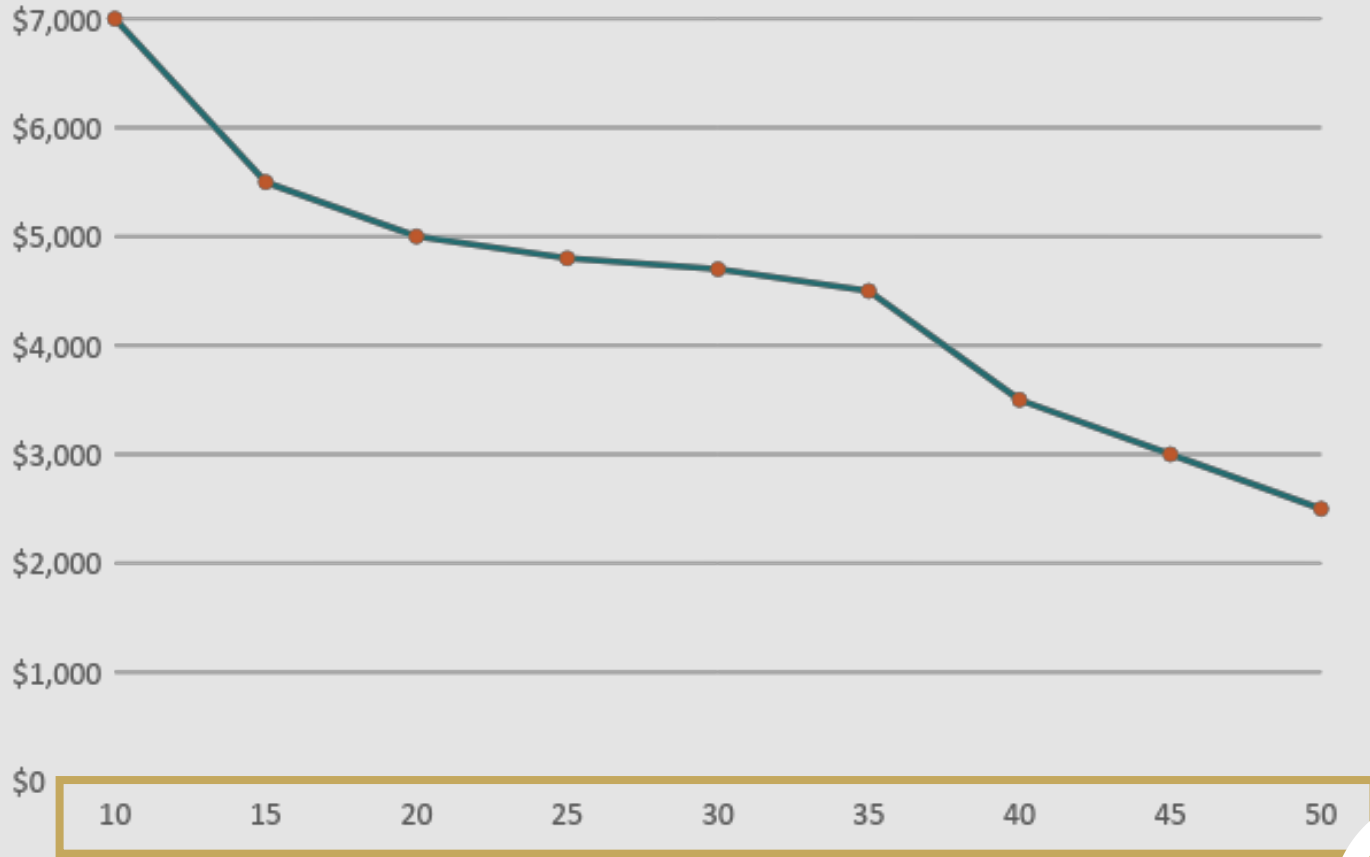


# REDUCTION IN CLAIMS



ANNUAL SPEND PER PERSON IN DOLLARS

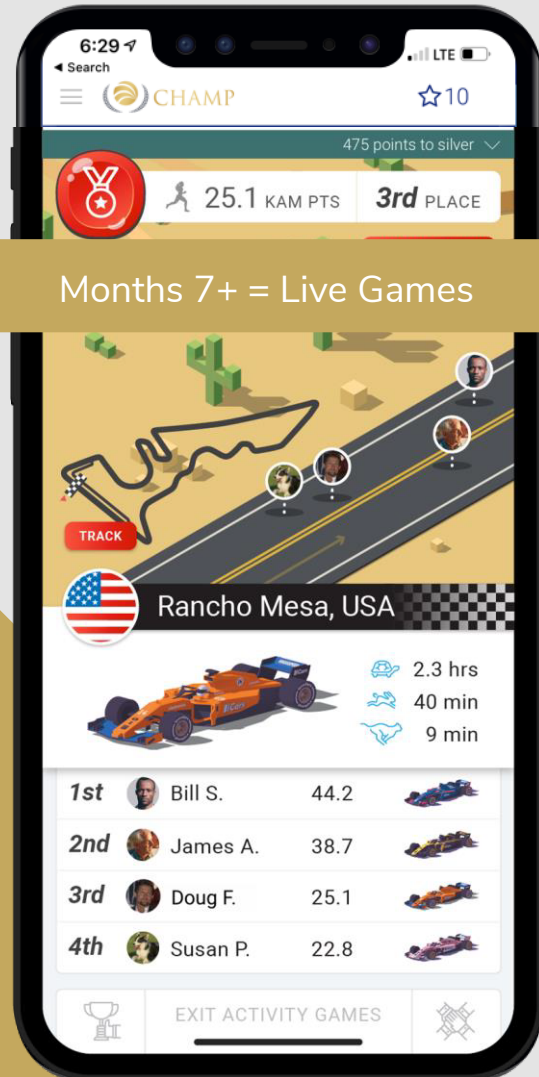
ANNUAL SPEND AS A FUNCTION OF PHYSICAL ACTIVITY



**KAM point** Our acclaimed Kinetic Activity Monitor, used by Mayo clinic for activity based chronic disease management and high accuracy activity studies, has been recreated into the modern smartphone

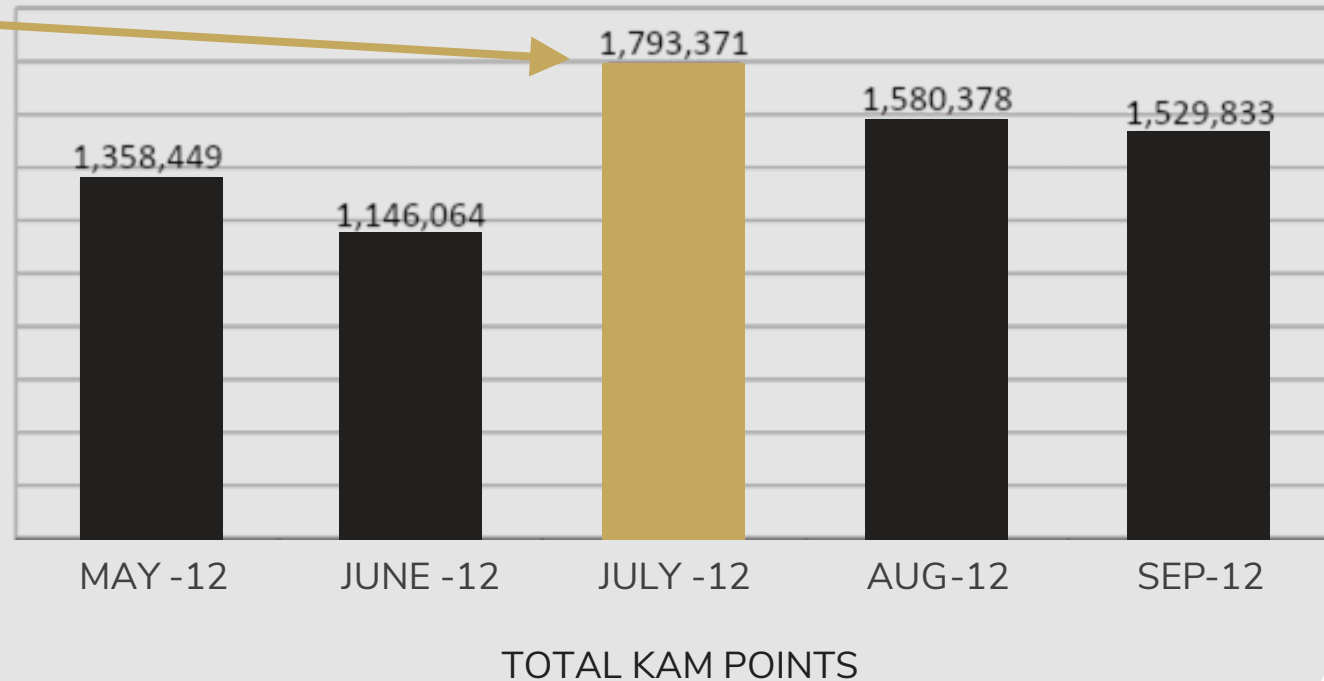


# CHAMP PERSONAL HEALTH MANAGER - ENGAGEMENT



Months 7+ = Live Games

**KAM Games:** Triggers high participation and group engagement  
Fun, Socialization & Increased Activity



# The CHAMP Plan™ BENEFITS

## + \$0 Unlimited Primary Care Doctor / Urgent Care Visits

- The Plan pays 100% of the office visit charges for First Health Providers for the employee with a \$0 copay. **(Employee Only)**
- <https://providerlocator.firsthealth.com/LocateProvider/LocateProviderSearch>

## + Unlimited Prescriptions \$0 Copay

- No copay or cost for all formulary drugs. **(Employee Only Plus Family)**

## + Unlimited Telemedicine and Mental Health \$0 Copay

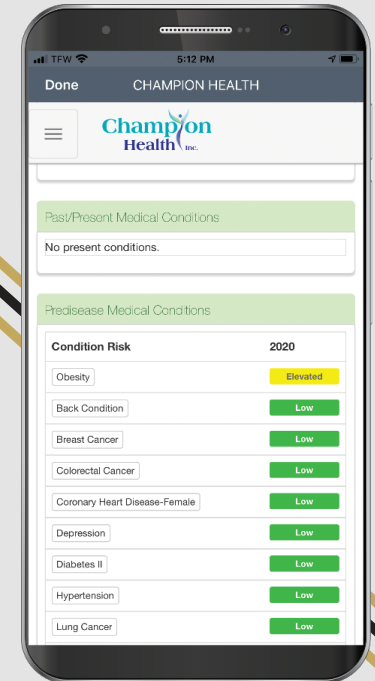
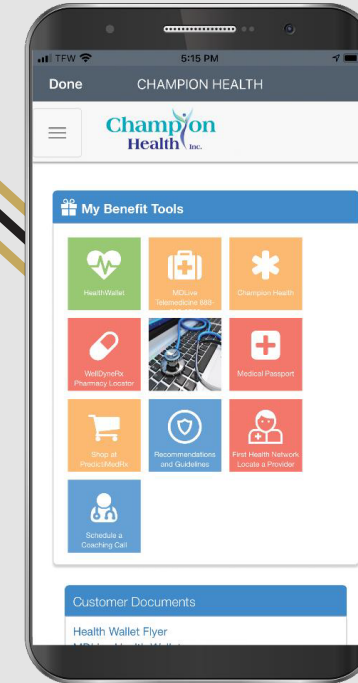
- No copay or cost 24/7/365. **(Employee Only Plus Family)**

## + 100% Preventative Care \$0 Copay (MEC)

- Minimum Essential Coverage pays 100% of services required by the Patient Protection and Affordable Care Act through First Health Providers. **(Employee Only)**

## + Personal Health Manager (Employee Only)

- Proactive Medical Care to help identify potential health risks.
- Access to private consultations with personal health assistants.
- Attending Company Physician



Condition Risk	2020
Obesity	Elevated
Back Condition	Low
Breast Cancer	Low
Colorectal Cancer	Low
Coronary Heart Disease-Female	Low
Depression	Low
Diabetes II	Low
Hypertension	Low
Lung Cancer	Low

 **Benefits are available to Employees, Employees + Spouse/Partner and Children. See details on Fulfillment documentation.**

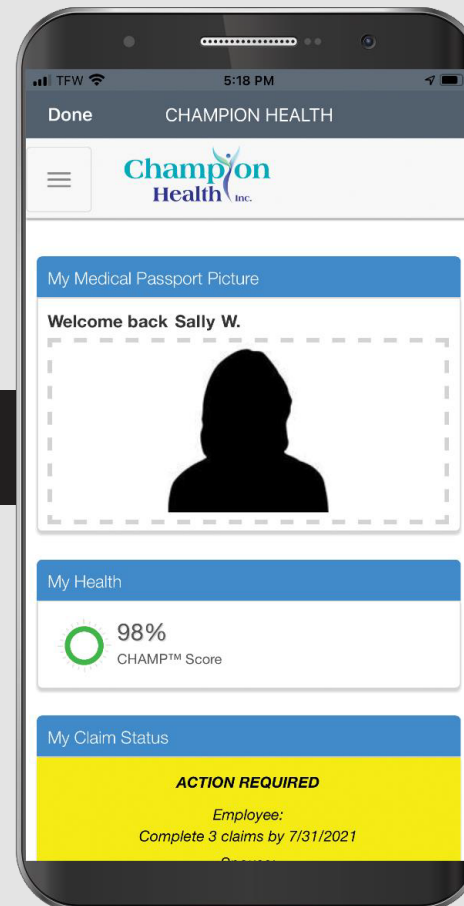
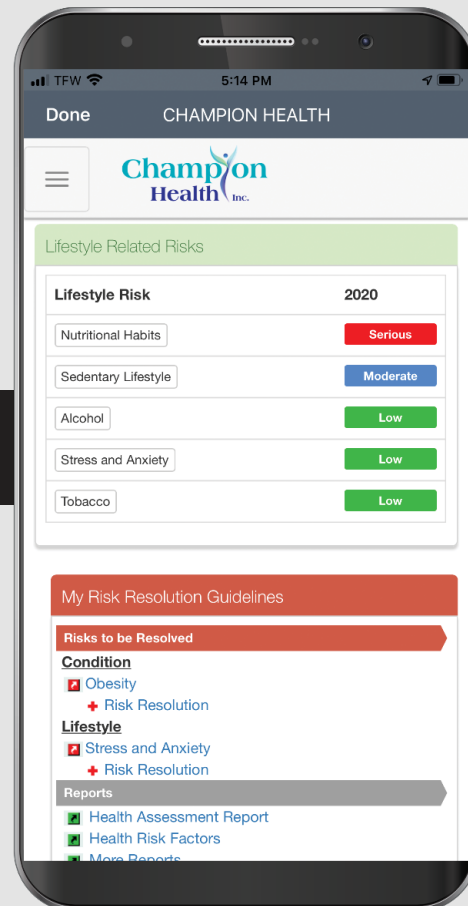
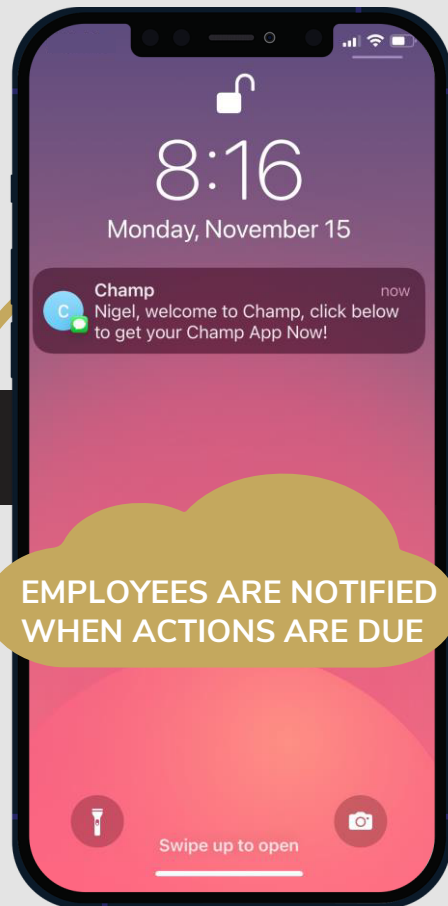


# REAL-TIME REPORTING AND REMINDERS

GROUPS WITH 50 OR MORE ENROLLED EMPLOYEES CAN REVIEW THE COMPANY'S HEALTH PROFILE



# CHAMP™ PERSONAL HEALTH MANAGER APP



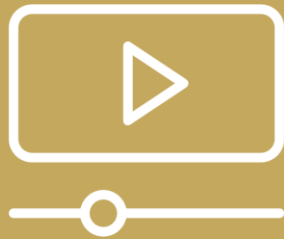
**NAVIGATE** to additional services\* and information at your fingertips

- + Telemedicine
- + Prescriptions
- + Doctor / Urgent Care Visits
- + Added value health services
- + CHAMP™ plan benefits

\*Service options vary dependent upon deployment for the group



# REQUIRED MONTHLY QUALIFYING TRIGGERS



Watch Video and  
Complete Clinical Quiz

CPT 96161

Keeping Your Back Healthy / Depression /  
Prediabetes / Managing Your Weight/  
Guide to Physical Activity/ Relaxation  
Exercises/ Smoking Cessation / Stages of  
Change / How Your Heart Works



Coaching with RN

CPT 98967



Complete Wellness Modules

CPT 98969

Nutrition / Stress /  
Fitness/ Tobacco Cessation



Biometric Screening

CPT 80047-  
86849



Visit with  
Telemedicine Provider

CPT 99091



Complete Assessments  
& Risk Resolution Guidelines

CPT 96161

Health Risk Assessment with Champ™  
Score/ CHAMP Wellcentive / Absenteeism  
& Presenteeism / Quality of Life /  
Readiness to Change / Health Utilization /  
Alcohol / Overweight / Sedentary Lifestyle /  
Stress /  
As applicable based on risk



Coaching with Doctor  
or Physician

CPT 98967

# EXPLANATION OF BENEFITS EXAMPLE

EXPLANATION OF BENEFITS						5/31/2020				
ADMINISTERED BY		GROUP			CLAIMANT					
Concierge Administrative Svcs P O Box 4070 Bartlesville, OK 74006 (888) 820-5687 or www.cbscas.com		(Group Number)  Group Name  (23967) - CHAMPION ONLY			Claim For      INSURED  Patient Acct    9410000001 Claim Number 2020-120000078-0000					
Employee Name Street Address City, State, Zip		<b>CLAIM SUMMARY</b>								
		Total Amount Covered                      \$1,430.00 Paid by Other Insurance Company                      \$0.00 Total Paid by Plan                      \$1,430.00 Employee's Responsibility                      \$0.00								
PROVIDER 27-1325943/0000 US HEALTHCENTER INC 250 S MAIN STREET THIENSVILLE WI 53092 4 First Health										
Type Of Service	Dates Of Service	Total Charge	Not Covered	Discount or Penalty	Eligible Expense	Expl Codes	Deductible Applied	Pd %	Amount Paid	
Health Risk Assessme	05/01/20 05/01/20	153.00	0.00	0.00	153.00	96161	0.00	100	153.00	
Visit W/ Telemed Prov	05/01/20 05/01/20	556.00	0.00	0.00	556.00	99091	0.00	100	556.00	
Risk Res guide stress	05/01/20 05/01/20	153.00	0.00	0.00	153.00	96161	0.00	100	153.00	
New Pat Prevent eval	05/01/20 05/01/20	568.00	0.00	0.00	568.00	99387	0.00	100	568.00	





# EXAMPLE PAYCHECK (MONTHLY)



Guaranteed Annual Savings for Company (250 employees enrolled) ..... \$143,400

Claims Funding PPP	\$	1,200.00
Company Gross Savings	\$	91.80
Less Admin Fee	\$	(44.00)
<b>NET Savings PPP</b>	<b>\$</b>	<b>47.80</b>

Select an employee via the drop down list immediately below.

Current Paycheck Example			
Smith, John		Required Deductions	
Pay Period	Monthly	Federal Income Tax	\$ (515.63)
Gross Pay	\$ 5,000.00	State Tax	\$ (135.00)
Marital Status	S	Medicare	\$ (72.50)
Allowances	0	Social Security	\$ (310.00)
Qualified Deductions	\$ -	SDI	\$ -
Non-Qualified Deductions	\$ -		
401k	\$ -		
		<b>NET PAY</b>	<b>\$ 3,966.87</b>

Original Net Pay

PAY TO THE ORDER OF: Smith, John \$ \$ 3,966.87

Memo: Paycheck Example Monthly

Example Based on Employee Only Coverage				
		Required Deductions		Taxes Lowered
Pay Period	Monthly	Federal Income Tax	\$ (313.92)	
Gross Pay	\$ 5,000.00	State Tax	\$ (102.60)	
Marital Status	S	Medicare	\$ (55.10)	
Allowances	0	Social Security	\$ (235.60)	
Qualified Deductions	\$ -	SDI	\$ -	
<b>Claims Funding</b>	<b>\$ (1,200.00)</b>	<b>CHAMP Benefit</b>	<b>\$ 1,130.00</b>	
Non-Qualified Deductions	\$ -	<b>CHAMP Premium</b>	<b>\$ (120.00)</b>	
401k	\$ -	<b>NET PAY</b>	<b>\$ 4,102.78</b>	

Sec 125 Deduction Insurance Claim Payment Net Pay Increased\*

PAY TO THE ORDER OF: Smith, John \$ \$ 4,102.78

Memo: Paycheck Example Monthly

\*There would be no change in pay if an employee declines the CHAMP Plan.

Employee Increase Per Pay Period

\$ 135.91

Employee Only Benefit + Guaranteed Benefits







# COST / FUNDING BREAKDOWN

The program is divided into (3) categories:

**1. Claim Funding** - An employer sponsored selffunded health plan is setup to overlay the traditional medical plan. The plan covers primary care visits, urgent care visits, and pharmacy for prevention and acute care at \$0 cost share for the employee. The plan is completely (100%) funded by the employees through a Section 125 cafeteria plan. The cost of the plan is \$1,200.00 per month on a pretax basis. The \$1,200.00 is coded into an account of claims administered by a Third-Party Administrator (TPA) to process, adjudicate, and pay claims. In the plan document and the benefits schedule, the definition of a claim covers two (2) criteria: 1) claims paid to providers, and 2) claims paid to employees. A claim is triggered by an applicable CPT code and the creation of an explanation of benefits (EOB). Each month, the employee will receive a tax free \$1,130.00 claim benefit. The balance of \$70.00 is used to pay for other covered benefits as they incur.

**2. Program Cost** - A premium of \$120.00 is paid on a post tax basis to cover all program enhancements. It includes but not limited to: • Predictive Modeling Platform • Enrollment Benefit Counseling Support • Consumer Technology App

**3. Administration Cost** - There is a \$44 per enrolled per month cost funded by the employer. This fee covers but not limited to: • Program Fees • TPA Fees • Network Fees



# COMPANY SAVINGS EXAMPLE (250 EMPLOYEES)

## Guaranteed Fixed Savings:

- Employer Reduced FICA Share ( $\$1,200 \times 7.65\%$ ) = \$91.80
- Less administration cost of \$44 = \$47.80 or \$573.60 PEPY
- Net Savings = \$143,400

## Variable Impacts within CHAMP Plan:

- Total Claim Accrual in Champ Plan - ( $\$70 \times 250 \times 12$ ) = \$210,000
- Projected Loss Ratio 30%
- Year-end Claim Surplus = \$147,000
- Employee Net Pay Increase at \$125/mo avg - \$1,500 PEPY
- 250 Employees x 1,500 = \$375,000

## Total Plan Impact :

- $\$143,400 + \$147,000 = \$290,400$
- Overall Impact: Company Savings (\$290,400) + Employee Net Pay Increase (\$375,000) =

\$665,400

TOTAL ANNUAL POSITIVE FINANCIAL IMPACT

**\$845,400**  
POTENTIAL ANNUAL IMPACT

## Variable Savings with Self Funded Health Plan:

- Claims Mitigated from Self-Funded Health Plan = \$720 PEPY = \$180,000 Net Claims Savings

\$180,000

TOTAL NET CLAIMS SAVINGS



# CHAMP COMPANY SAVINGS EXAMPLE

**TOTAL EMPLOYEES**

**25**

0

Claims Funding	\$	1,200.00	pe/pm
Employer FICA Tax Rate		7.65%	2021 rate
Employer Reduced FICA Share	\$	91.80	pe/pm
Admin Costs	\$	44.00	pe/pm
Employer Reduced FICA Share Less Admin Costs	\$	47.80	pe/pm
Employer Reduced FICA Share Less Admin Costs	\$	573.60	pe/py
<b>Net Savings</b>	<b>\$</b>	<b>14,340.00</b>	<b>per year</b>

## Variable Impacts within CHAMP Plan

Total Claim Accrual in Champ Plan	\$	21,000.00	per year
Projected Loss Ratio		30%	
Year End Claim Surplus	\$	14,700.00	per year
Employee Net Pay Increase	\$	125.00	per month
Employee Net Pay Increase	\$	1,500.00	per year
Total Employee Net Pay Increase	\$	37,500.00	per year

## Total Plan Impact

Employer Reduced FICA+Year End Surplus	\$	29,040.00	total
Employer Reduced FICA+Year End Surplus	\$	1,161.60	per ee
Company Savings	\$	29,040.00	per year
Employee Net Pay Increase	\$	37,500.00	per year
<b>Total Positive Financial Impact</b>	<b>\$</b>	<b>66,540.00</b>	<b>per year</b>

## Variable Savings with Self Funded Major Medical

Claims Mitigated from Self-Funded Medical Plan	\$	720.00	pe/py
<b>Total Net Claims Savings</b>	<b>\$</b>	<b>18,000.00</b>	<b>per year</b>

**TOTAL POTENTIAL IMPACT \$ 84,540.00 per year**



# IMPLEMENTATION PROCESS



1. Employer provides an employee census and we will generate an analysis / proposal with personalized savings.



2. All employees will be automatically enrolled in Champ Plan.



3. All employees will be sent instructions for online registration, how to use the benefits, and the option to speak with an enrollment counselor. *(If an employee wishes not to enroll, they can opt out.)*



4. Champion Health payroll department will contact your payroll company to provide them with the enrolled employees adjusted numbers. You will have deductions in the month after enrollment.



5. Coverage goes into force the following month.



6. Invoice is due the month after savings are created.

