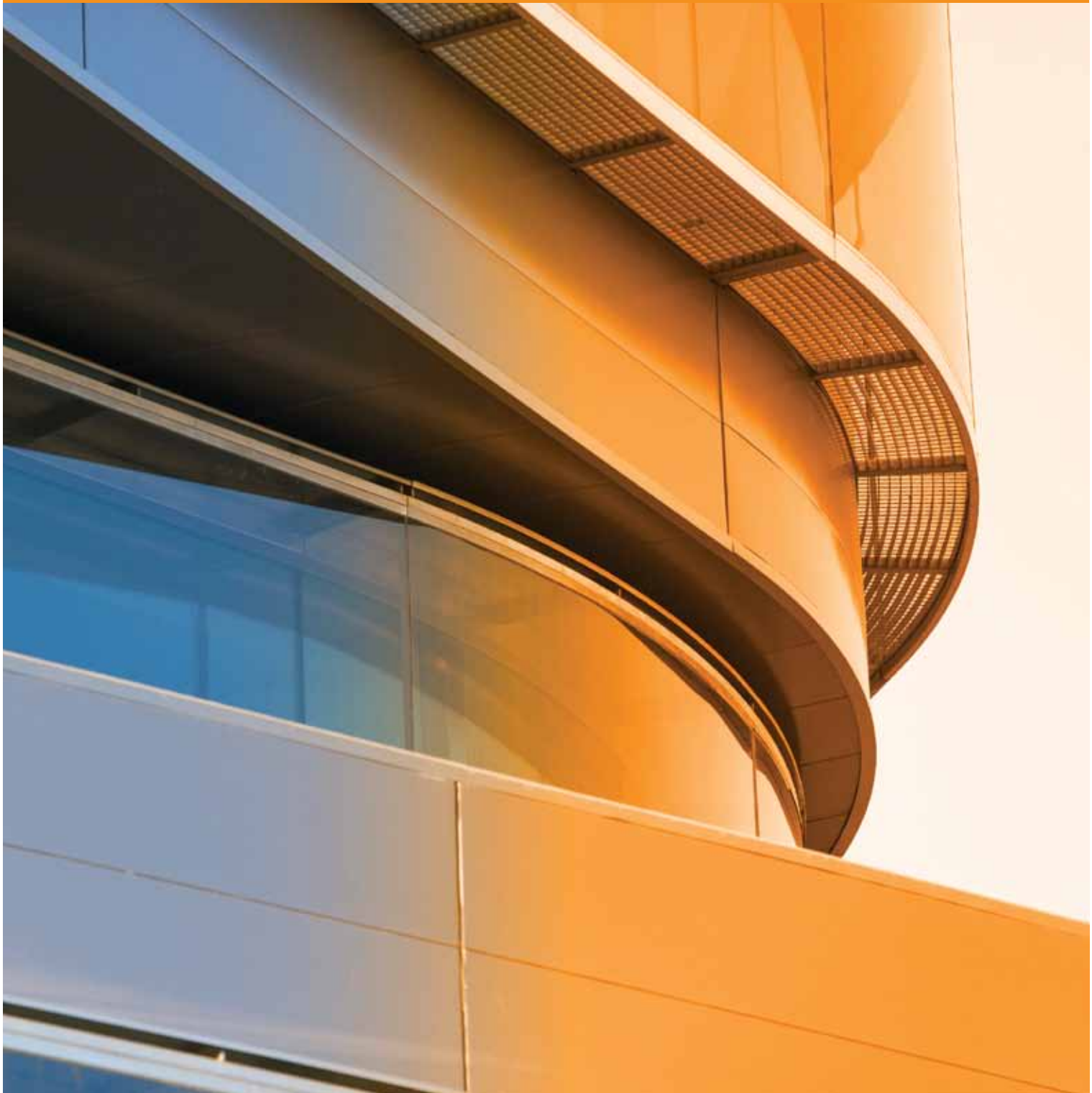




*Smart solutions for
a changing workforce*

BenScan[®] Financial Modeling Tool to Perform “What if” Scenarios for Health Benefit Plans



Why use BenScan®?

With the advent of private exchanges, insurance carrier consolidations, Affordable Care Act requirements, and rising prescription drug costs, employers are looking at a variety of plan designs and long-term cost projections to be in line with business objectives and workforce strategies.

Projected costs of the current plans before any changes are applied

Current Active Employee (Non-COBRA) Plan Projected Cost	
Projected Medical Claims (1,000 Employees)	\$6,493,242
Projected Prescription Drug Claims (1,000 Employees)	\$1,020,918
Projected Dental Claims (1,000 Employees)	\$568,628
Estimated Fixed Expenses	\$741,494
Total Projected Gross Costs	\$8,824,283
Current Active Employee Plan Premium Contributions	(\$1,378,188)
Net Projected Plan Costs	\$7,446,095
Percent Paid By Employees	15.6%
Recommended Total Funding Rate Increase	8.0%

Interactive, with drop-down menus to allow organizations to perform multiple “what-if” scenarios. Choose any combination of plan design changes, employee contribution structures and enrollment revisions.

Dental Plan Options	
Increase Ortho Lifetime and Annual Non-Ortho Max. to \$1,500/Person	▼
PPO Medical Plan Benefit Options (Non-Network = 2 x Network)	
Increase Deductibles from \$225/\$675 to \$250/\$750	▼
Increase Out-of-Pocket Max. from \$1,600/\$3,200 to \$1,730/\$3,500	▼
Prescription Drug Options	
Current Retail Copays (\$10 Generic, \$25 Preferred Brand, \$50 Non-Preferred Brand)	▼
HDHP Medical Plan Options	
Increase Deductibles from \$1,500/\$3,000 to \$2,000/\$4,000	▼
Increase Out-of-Pocket Max. from \$3,000/\$6,000 to \$4,000/\$8,000	▼

Current Network Out-of-Pocket Max. \$1,600/\$3,200
Increase Out-of-Pocket Max. from \$1,600/\$3,200 to \$1,750/\$3,500
Increase Out-of-Pocket Max. from \$1,600/\$3,200 to \$2,000/\$4,000
Increase Out-of-Pocket Max. from \$1,600/\$3,200 to \$2,250/\$4,500

▶ This BenScan® graphic depicts a simple model. Findley Davies will customize BenScan® to suit your needs including the most sophisticated plan designs.



The results are reflected here

Proposed Plan Projected Cost	
Projected Percent Impact On Claims Costs	
PPO Medical Plan	-0.7%
HDHP Medical Plan	-2.0%
Prescription Drug Plan	0.0%
Dental Plan	3.2%
Projected Medical Claims	\$6,431,272
Difference From Current Plan	(\$61,970)
Projected Prescription Claims	\$1,020,918
Difference From Current Plan	\$0
Projected Dental Claims	\$586,825
Difference From Current Plan	\$18,196
Wellness Program Investment	\$0
Total Projected Gross Costs	\$8,780,510
	(\$43,774)
Difference From Current Plan	-0.5%
Recommended Funding Rate Increase	7.5%
Proposed Employee Contributions	(\$1,507,848)
	(\$129,660)
Change From Current Contributions	9.4%
Net Projected Plan Costs	\$7,272,662
	(\$173,434)
Difference From Current Plan	-2.3%
Percent Paid By Employees	17.2%
Net Projected Budget Per Employee	\$6,797
Net Current Year Budget Per Employee	\$6,598
Projected Budget Increase per Employee	3.0%
Assumed Wellness Participation Rate	0%

This information interactively shows the cumulative savings of selected plan design changes.

Any changes to employee cost sharing are immediately reflected here along with the net expected employer cost.

How is BenScan® used?

BenScan® is customized using each client's claims data, plan design, and employee demographics. When BenScan® is delivered to you, you and your team have the ability to perform "what if" scenarios to draw conclusions on the proper combination of plan changes and employee contributions appropriate to your current business situation and HR objectives.

Common Objectives You Can Achieve Using BenScan®

- Forecast financial impact of health benefits decisions
- Model benefit plan design
- Forecast Cadillac Tax implications
- Effective tool you can use in collective bargaining
- Model employee contribution changes and strategies
- Build a business case for change
- Reach consensus amongst key stakeholders
- Communicate to Board members the health benefits decision-making process



BenScan[®] Implementation Process

1. Discovery



- Identify areas of opportunity and set options to model
- Benchmark cost and utilization statistics
- Benchmark plan provisions and employee contributions against industry norms

2. Request



- Request claims and utilization data from current carrier/TPA/PBM

3. Prepare



- Prepare BenScan[®] with plan-specific provisions
- Load current plan benefits provisions and benefit options for modeling
- Prepare plan cost projection
- Prepare desired client-specific output

4. Review



- Review model with employer and adjust output as needed

5. Deliver



- Deliver BenScan[®] and provide training

6. Launch



- Client launches interactive tool