

Learn How the Value and Savings of Non-Insurance Benefits Can Enhance Your 2021 Benefits Strategy

Careington
SOLUTIONS SIMPLIFIED®

 **Brown & Brown**
INSURANCE®





BRUCE BERNSTEIN

*Vice President of Strategic
Markets at Careington*

Bruce Bernstein serves as Vice President of Strategic Markets for Careington International Corporation and affiliate companies DialCare, Careington Benefit Solutions and Munroe Sutton. Bruce is an experienced professional with a demonstrated history of success in the health and dental industry. He began his career with Careington 19 years ago in network development, where he played an integral role in each aspect of building and maintaining Careington's industry-leading, proprietary dental networks. He spent additional time working with Careington's marketing department before moving into his current sales role.



LORI WILKINSON

*Vice President Brown & Brown Insurance
Director Non-Insurance Benefits*

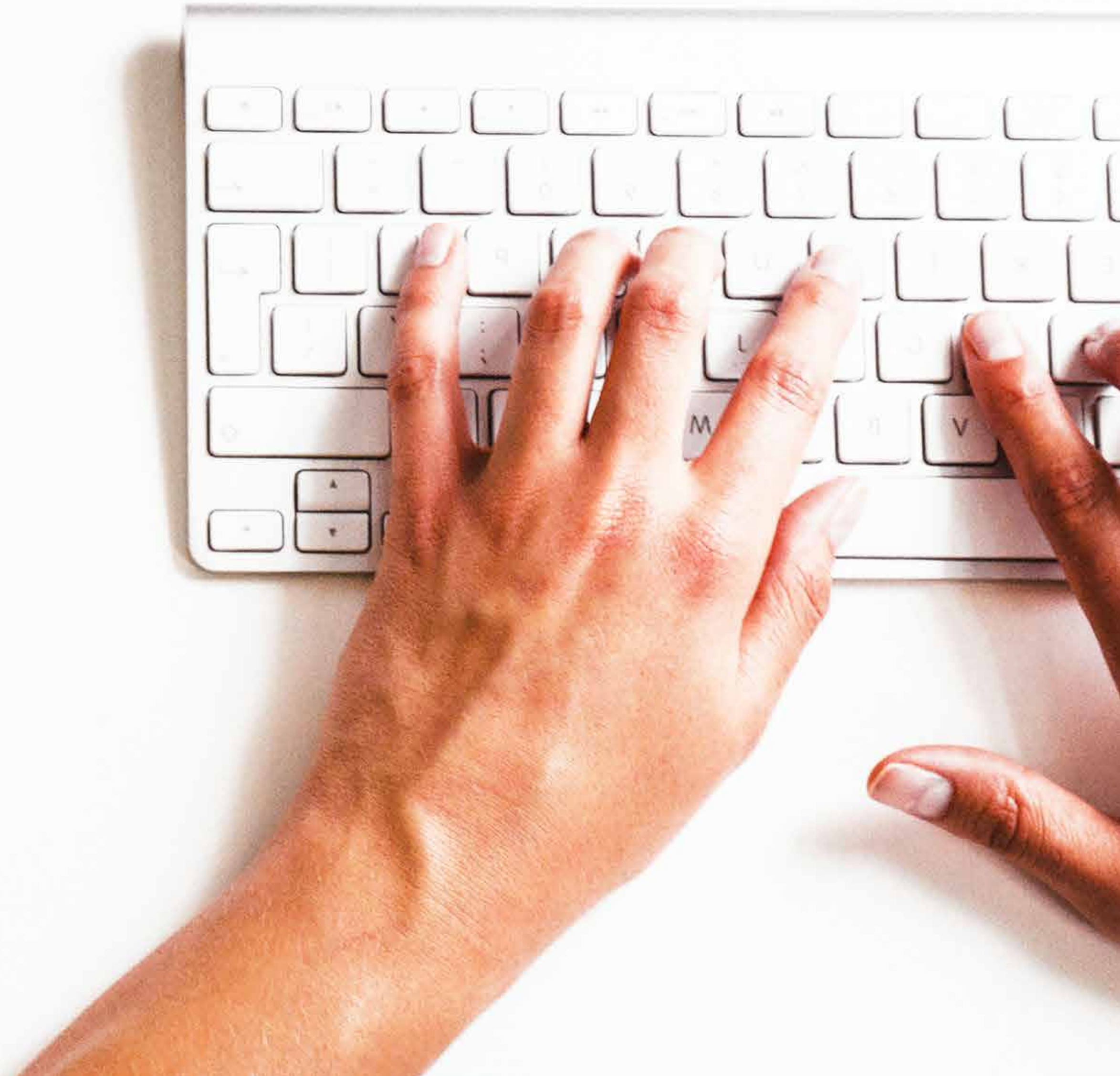
Lori Wilkinson brings more than 25 years of national and international experience in sales, leadership, strategic planning, contract negotiation, customer, retail, and healthcare marketing to Brown & Brown Insurance of Nevada. During her career, she has held a variety of positions with some of the top Fortune 100 companies. She took on an entrepreneurial role by founding her own firm offering sales, marketing and strategic alliance expertise to various corporate partners. Through the acquisition of her firm she brings her varied background and expertise to Brown & Brown Insurance.

In addition to being a skilled health insurance professional, Lori is experienced in non-insurance benefit sales and how to integrate them into the overall employee benefit plan to drive savings and value for the customer and their employees.

TODAY'S SPEAKERS

TODAY, YOU'LL LEARN HOW TO:

- Define savings and savings plans and how your clients can implement them alongside their current insurance plans
- Determine gaps to boost your clients' benefit offering and provide value and savings
- Increase commission revenue from new clients or through organic growth with existing clients
- Differentiate yourself and your competition with the help of dental plans



WHAT ARE SAVINGS PLANS AND HOW ARE THEY DIFFERENT FROM INSURANCE?

Savings plans are affordable, non-insurance, savings-focused plans, offering access to reduced fees for health care services in exchange for membership.

Insured plans typically provide 'covered' benefits paid in part by the insurer and have a claims filing process, while savings plans provide unlimited access to pre-negotiated, reduced fees on care at participating provider offices.

Popular discount products include: dental, vision, prescription, hearing, chiropractic care, pet care, legal, shopping & dining, etc.

Benefits of Non-Insurance Products:

- Affordable option for all employees regardless of benefits eligibility
- Can stand alone as an affordable option and/or complement existing insured plans
- Unlimited nationwide access to providers
- No age restrictions
- Year-round enrollment
- Fee schedules provide cost transparency
- Compatible with HSAs, FSAs and HRAs



TYPES OF DISCOUNT PRODUCTS OFFERED BY CAREINGTON

Every product we offer delivers industry-leading network access and significant savings. We offer over 150 unique products ensuring that you, your clients, members and employer groups have access to affordable care for health, wellness, lifestyle or financial services.

HEALTH

Dental
Vision
Telemedicine
Prescriptions
Hearing
Labs
Medical Bill Saver

WELLNESS

Vitamins & Nutrition
Weight Loss
Health Club Network
Chiropractic
Podiatry
Alternative Health
Long-Term Care

LIFESTYLE

ID Theft Protection
Shopping & Dining
Travel Assistance & Savings
Pet Care
Tax & Financial
Legal Advice
Will & Estate Planning

SERVICES

Enrollment & Billing
Customer Service
Claims Administration
Marketing
Fulfillment
Industry Compliance
Custom Development

THE VALUE OF DISCOUNT PLANS IN TODAY'S MARKET

The advantages of discount solutions for brokers, consultants and their clients in today's insurance space

- Clients are keeping costs down, especially in today's environment
- Layoffs and loss of benefits due to the COVID-19 pandemic
- Employers transitioning from employer-sponsored dental and vision benefits to voluntary
- Increasing medical insurance premiums
- Dental claims have been expected to decline:¹
 - 34% decline in 2020
 - 7% decline in 2021
 - 5% decline in 2022
- Perceived high cost of care
- Demand for price transparency

¹Bell A. COVID-19 May Cut Dental Services Spending for 3 Years: Actuaries. Think Advisor. April 14, 2020



NON-INSURANCE SAVINGS PLANS

Savings plans can stand on their own in addition to insurance to aid as independent options to ensure optimal savings on health care costs and procedures.

Benefits of savings plans:

- Since this is not insurance, there are no waiting periods, copays, pre-existing condition clauses or limitations on how often you can use them.
- Savings plans target employers of all sizes and can be offered to full-time, part-time, seasonal, contract and retiree employees.
- Savings plans can be implemented quickly at anytime throughout the year. They are not beholden to AEP.

Dental Discount Sample Savings Chart

Procedure Description	Regular Cost*	Plan Cost**	Savings Amount	Savings Percent
Adult Cleaning	\$132	\$52	\$80	61%
Child Cleaning	\$94	\$40	\$54	57%
Routine Checkup	\$78	\$26	\$52	67%
Extensive Oral Exam	\$136	\$43	\$93	68%
Four Bitewing X-Rays	\$89	\$35	\$54	61%
Composite (White) Filling Code	\$210	\$85	\$125	60%
Crown (porcelain fused to noble metal)	\$1,498	\$721	\$777	52%
Complete Upper Denture	\$2,152	\$936	\$1,216	57%
Molar Root Canal	\$1,459	\$659	\$800	55%
Extraction (single tooth)	\$255	\$90	\$165	65%

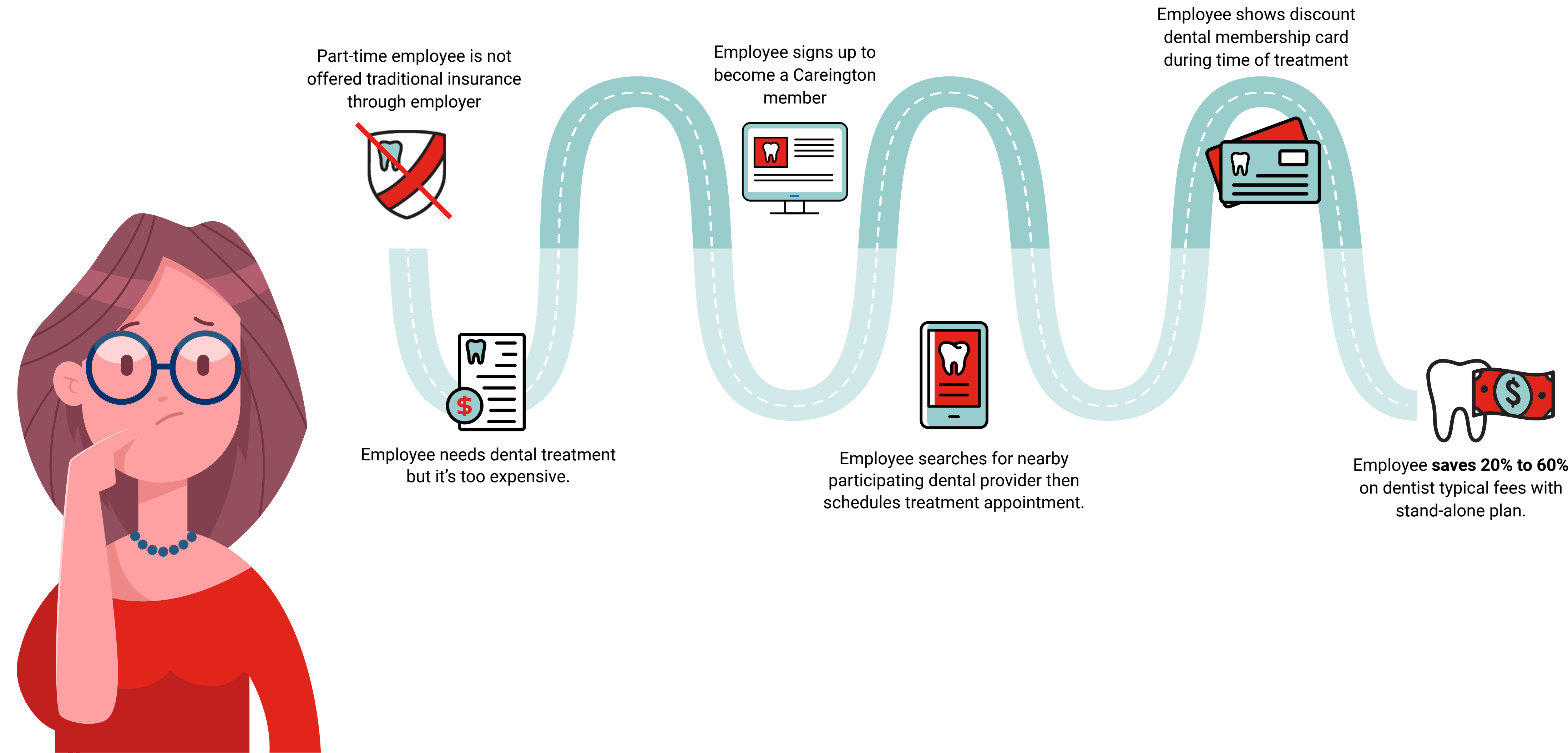
*Regular cost is based on the average 80th percentile usual and customary rates as detailed in the 2020 FAIR Health Report in the Los Angeles, Orlando, Chicago & NYC metropolitan areas.

**These fees represent the average of the assigned DN07 fees in the Los Angeles, Orlando, Chicago & NYC metropolitan areas. Prices subject to change.

When to use savings plans as affordable alternatives:

- Employers aren't offering any insurance
- Employers offer insurance but have low participation
- Employee population is not eligible to participate in traditional insurance benefits
- If insurance doesn't meet the employees' budgets or it's too expensive
- If coverage is lost due to furloughs, layoffs or retirement savings plans

HOW DO SAVINGS PLANS WORK ON THEIR OWN?



HOW DO SAVINGS PLANS WORK WITH INSURANCE?

Savings plans help employers supplement their PPO program and provide employees with more ways to save on health expenses like dental.

These plans work alongside insurance plans to provide optimal savings once annual maximums are met, when traditional insurance plans are too expensive or on services that are not covered by insurance.

- Provides additional savings on uncovered services
- Provides additional savings when annual maximums are already met
- Also works alongside indemnity insurance to provide savings in addition to the allowance amount



HOW DO SAVINGS PLANS WORK WITH INSURANCE?



STEP 1: FIRST VISIT

Patient utilizes their insurance benefits for prescribed dental treatment.

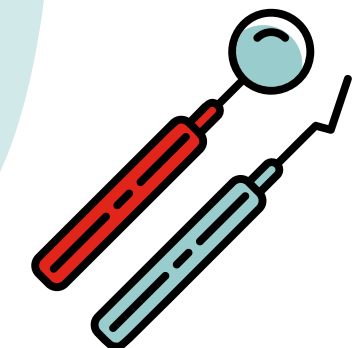
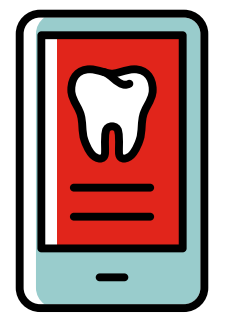


STEP 2: ANNUAL MAXIMUM MET

Patient has reached their **\$1,500 annual maximum** for the year, however they are in need of additional dental treatment.

STEP 3: SUPPLEMENTAL OPTION

Patient purchases a dental savings plan to help save on additional treatments.



STEP 4: FUTURE VISIT

Patient needs **more than \$3,000** worth of dental services with dental treatment since he has reached annual maximum.

STEP 5: FINAL SAVINGS!

With insurance, the patient would normally pay **\$3,432** but after enrolling in a savings plan they only paid **\$1,572** for treatments, resulting in **almost \$2,000** worth of dental savings.



Regular cost of services:	Plan cost of services:
Composite Fillings (x2) - \$428	Composite Fillings (x2) - \$172
Molar Root Canal - \$1,474	Molar Root Canal - \$671
Crown - \$1,530	Crown - \$729
TOTAL - \$3,432	TOTAL - \$1,572

HOW DO SAVINGS PLANS WORK FOR ORTHODONTIA?

“According to the American Association of Orthodontists, nearly 4 million children undergo orthodontic treatment in the United States each year. And it's not just kids; one-third of all orthodontic patients are adults.¹ Braces can cost about \$6,000 and even more for complex needs.²”

Many traditional employer-offered dental insurance plans either don't include orthodontic coverage, or the orthodontic benefit is insufficient and can be complicated by waiting periods and other restrictions. Coverage for adult orthodontics is also not included in many plans. Plus, including an orthodontic benefit can increase plan premiums by as much as 15%.

Beyond savings on orthodontics, a discount dental plan can be used year-round to add value on its own or with a dental insurance plan on other non-covered services, cosmetic procedures and when annual maximums are met, for added value to any dental offering.

ADVANTAGES OF A DISCOUNT DENTAL PLAN FOR SAVINGS ON ORTHODONTIA:

- Savings on orthodontic treatment are always available for both children and adults
- Savings and treatment available from participating general dentists and orthodontists
- Savings available on most form of orthodontic treatment (traditional braces, aligners, etc.)
- No waiting periods or other treatment restrictions or limitations
- Significant savings on overall cost at 20% discount on treatment
- No impact to overall cost of plan, as savings on orthodontic treatment are included with any discount dental plan

USING DATA ABOVE:

\$6,000 average cost of orthodontic treatment
(\$1,200) 20% savings from discount dental plan
\$4,800 final cost of treatment using a discount dental plan

¹⁻² <https://www.investopedia.com/best-dental-insurance-for-braces-4845657>

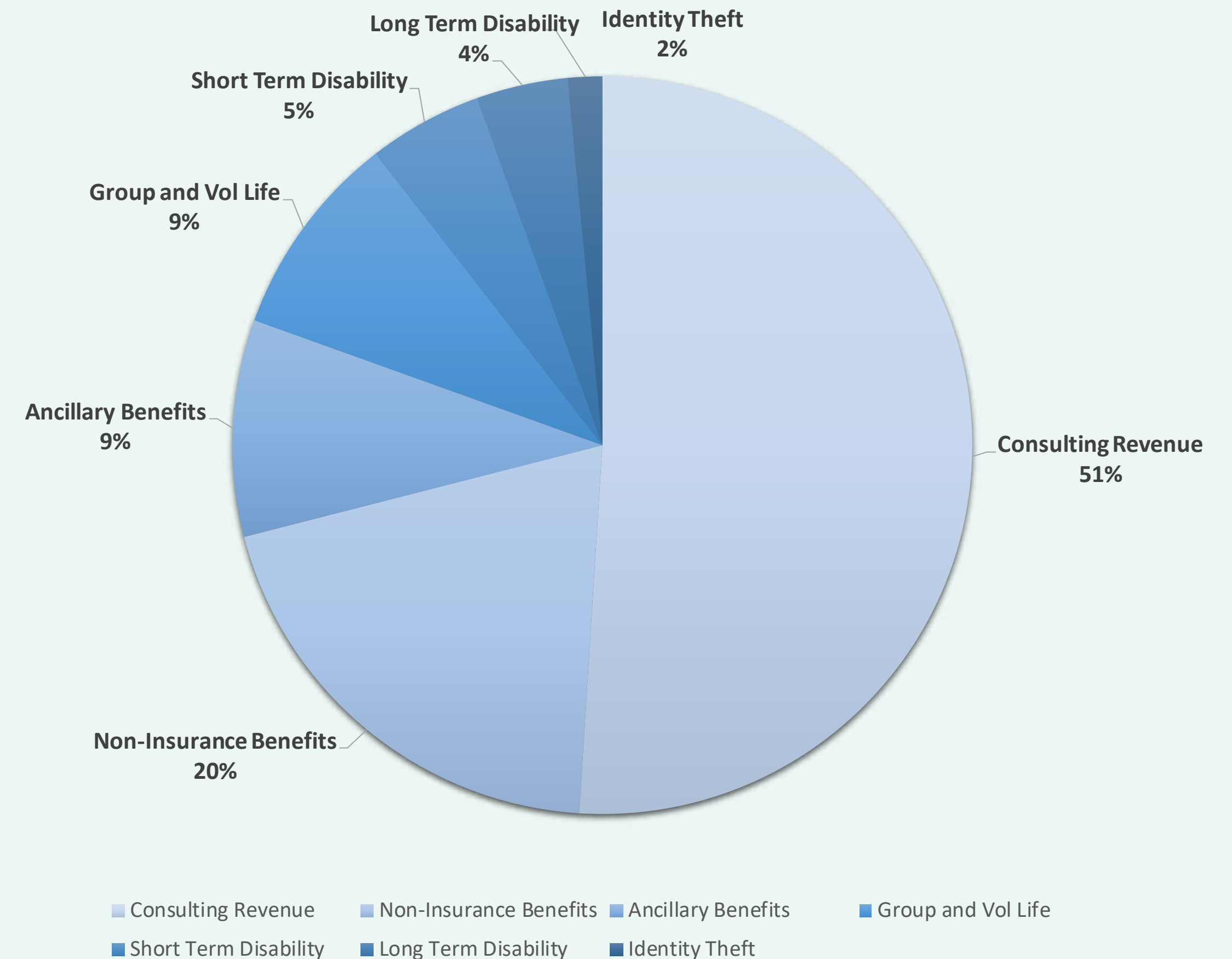
IMPACT TO COMMISSIONS



SELF-FUNDED CUSTOMER – 1,100 LIVES

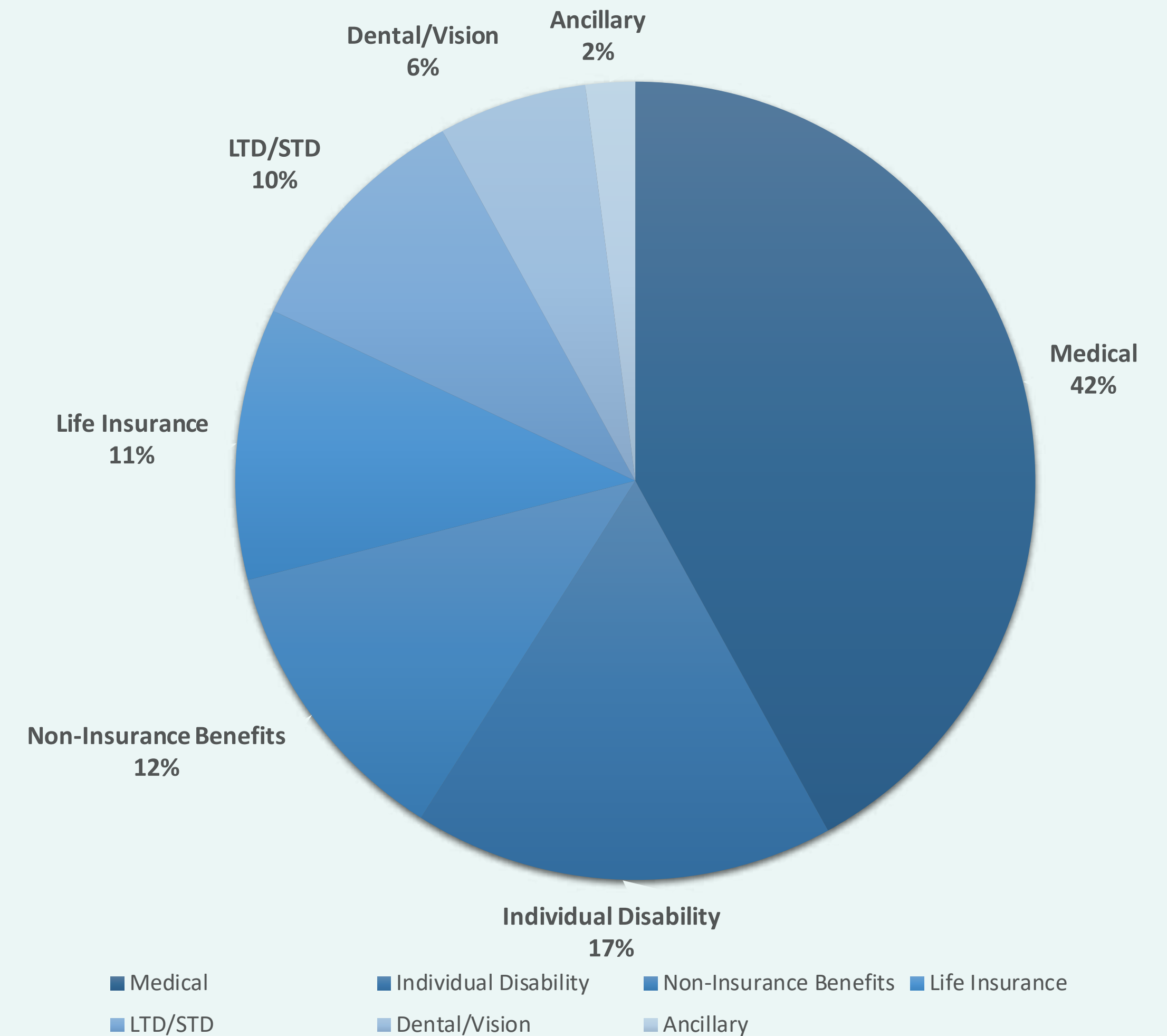
- Provides as a 100% ER funded benefit to any member on the company medical, dental and/or vision plan.
- Low cost benefit bringing significant value and savings to the employee
- Uses a Non-Insurance Benefit bundle to:
 - Create a more robust dental and vision benefit for employees that includes both insurance and non-insurance benefits
 - Utilizes \$0 consult Telemedicine fee to drive claims away from the plan
 - Brings new member value by providing Telemedicine Mental Wellness and dermatology benefit
 - Provides a lab
 - Imaging and Rx benefit to bring savings to members on the HRA plan.

Low cost benefit bringing significant value and savings to the employee.



FULLY-INSURED CUSTOMER – 45 LIVES

- Provides 100% ER funded benefit to any member on the company on the medical, dental and or vision plan
- Uses a Non-Insurance Benefit bundle to:
 - Create a more robust dental and vision benefit that includes both insurance and non-insurance benefits
 - Utilizes \$0 consult Telemedicine fee to create savings and value for employees
 - Makes available Health Advocate to expand support for members to ensure better utilization of the plan
 - Provides access to Rx and lab benefit to fill medical benefit plan gaps



NEXT STEPS FOR BROKERS AND CONSULTANTS

- What should they be selling?
- How should they be selling it?
- Where should they be selling it?



MAIN TAKEAWAYS

Offering stand-alone savings plans provides low-cost alternatives and flexibility on health care expenses for employees seeking independent options outside traditional insurance plans.

Offering savings plans with insurance provides optimal savings on health expenses and offers additional options to work alongside insurance as valuable supplements to their traditional plan.

QUESTIONS?

**WE THANK YOU FOR
JOINING OUR WEBINAR!**



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