



**THE
PHIA
GROUP**

EMPOWERING PLANS

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**Plan on Saving by Saving Your Plan –
Applying Lessons Learned to Create
the Perfect Plan Document**

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Today's Speakers





Adam V. Russo, Esq.
Chief Executive Officer & Principal



Ron E. Peck, Esq.
Senior Vice President
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Jennifer McCormick, Esq.
Vice President, Consulting



Brady Bizarro, Esq.
Staff Attorney


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Our Webinars Are Awesome!



We are honored to announce that The Phia Group's free monthly webinar has recently been named one of the top-ranked healthcare webinars of 2017!



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Today's Agenda



- Problem, Purpose, Process
- Political Update
- Phia Group Consulting FAQ
- Introduction to The Flagship Template
- Choices vs. Best Practices
- Examples: Exclusions
- Before and After the Flagship Template

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Problem, Purpose, Process



The Problem – Health Care Costs Too Much and The Price is Increasing; Employers are Forced to Offset Costs Through Higher Co-Pays and Deductibles

Our Purpose – To Make Health Benefits Affordable for Employers and Employees

Why? – Because Hard Working Americans Deserve Access to High Quality, Affordable Healthcare

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Problem, Purpose, Process



How Do We Achieve this Purpose? – By Empowering Plans

What Does it Mean to “Empower Plans”? – Create, Manage, Customize and Take Control of Your Plan Through Cost-Containment, Maximizing Benefits While Minimizing Costs

How Do We Empower Plans? –Start by Promoting and Educating About Self-Funding, Implement Cost Containment Services, and Deliver Custom Solutions


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Deflating Obamacare



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The Rollback at the Federal Level

- End of the Individual Mandate
 - CMS expanding the “hardship” exemptions for 2018
 - 55% support ending the mandate (*Kaiser*)
- Expanding Association Health Plans (“AHPs”) and Short-Term Health Plans
 - Easier to create
 - Fewer ACA regulations to follow
 - This is targeted toward the middle class
- Expanded Rule Regarding Contraceptive Coverage
 - 2 district courts blocked it in December

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The Rollback at the State Level



- Idaho Is Way Out Front: “No Obamacare Needed”
 - DOI will allow insurers to sell health plans that do not comply with ACA rules
 - Can deny for pre-existing conditions
 - No need to cover EHBs
- Other States Are Watching This
 - Will Trump Admin. enforce ACA?
 - If not, exchanges could tank



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Some Blue States Are Fighting Back



- Individual Mandate Proposals
 - MA – only state with an individual mandate
 - MD – first to propose a bill; includes a creative plan to use the penalty as a down payment
 - Other states (and D.C.) with their own marketplaces and income tax are considering individual mandates, i.e. CA, NJ
- Colorado Ballot Measure (Nov. 2018)
 - Requires hospitals and other providers to disclose charge masters

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PGC: December's Most FAQ



- Is basing employee contributions off of salary considered discriminatory?
- What types of claims are eligible for independent external (“IRO”) review? Do we have to abide by every request
- Do state prompt pay rules apply to ERISA Plans?
- Does ERISA have its own prompt pay requirements?

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Introduction to The Flagship Template



The Phia Group has developed a new Plan Document template: *The Flagship Template*.

- Many fewer variables than our Major Medical template
- Much quicker and easier checklist process
- Less choice means greater standardization

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Introduction to The Flagship Template



How we got here:

- TPA and broker requests for clarification of variables
- Requests to help choose between variables
- Many folks just want to use “standard” options!

We pride ourselves in our Major Medical template – but some desire more simplicity and fewer options.

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Choices vs. Best Practices



When given choices for which exclusions to choose within an SPD checklist, raise your hand if:

- a) You don't see the subtle differences,
- b) You don't know which the group wants to use,
- c) You want someone else to use his best judgment, or
- d) All of the above.

If you raised your hand, you're not alone!

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Examples: Exclusions



OR

Occupational. That are for any condition, illness, injury or complication thereof arising out of or in the course of employment, including self-employment, or an activity for wage or profit where workers' compensation or another form of occupational injury medical coverage is available or would have been available had the Participant sought to obtain it in accordance with applicable rules and/or procedures.

OR

Occupational. That are for any condition, illness, injury or complication thereof arising out of or in the course of employment, including self-employment, or an activity for wage or profit where the Participant's Employer/volunteer organization has failed to obtain such coverage required by law.

OR

Occupational. That are for any condition, illness, injury or complication thereof arising out of or in the course of employment, including self-employment, or an activity for wage or profit where the Participant's Employer/volunteer organization has failed to obtain such coverage required by law.

OR

Occupational. That are for any condition, illness, injury or complication thereof arising out of or in the course of employment, including self-employment, or an activity for wage or profit where the Participant waived his or her rights to such coverage or benefits.

OR

Occupational. That are for any condition, illness, injury or complication thereof arising out of or in the course of employment, including self-employment, or an activity for wage or profit where the Participant fails to file a claim within the filing period allowed by law for such benefits.

OR

Occupational. That are for any condition, illness, injury or complication thereof arising out of or in the course of employment, including self-employment, or an activity for wage or profit where the Participant fails to comply with any other provision of the law to obtain such coverage or benefits.

OR

Occupational. That are for any condition, illness, injury or complication thereof arising out of or in the course of employment, including self-employment, or an activity for wage or profit where the Participant is

So, instead of this...

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Examples: Exclusions



...You'll get *this*.

Occupational. Prescriptions necessitated due to an occupational activity or event occurring as a result of an activity for wage or profit which an eligible person is entitled to receive without charge under any workers' compensation or similar law.

The Phia Group's plan drafting team used its best judgment to choose the variable.

This is the option that is most commonly chosen, and the one that makes the most sense for most health plans.

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Examples: Exclusions



And instead of this,
with variables within variables...

Illegal Acts. That are for any Injury or Sickness which is Incurred while taking part or attempting to take part in an illegal activity, including but not limited to misdemeanors and felonies, **even if the cause of the illness or Injury is not related to the commission of the illegal act.** It is not necessary that an arrest occur, criminal charges be filed, or, if filed, that a conviction result. Proof beyond a reasonable doubt is not required to be deemed an illegal act. This Exclusion does not apply if the Injury (a) resulted from being the victim of an act of domestic violence, or (b) resulted from a documented medical condition (including both physical and mental health conditions).

OR

Illegal Acts. That arise from or are caused during the commission of any illegal act for which the Participant could be incarcerated for any period of time, **even if the cause of the illness or Injury is not related to the commission of the illegal act.** It is not necessary for an arrest to occur, charges to be filed, incarceration to occur, or a conviction to be had for this Exclusion to apply. This Exclusion does not apply if the Injury (a) resulted from being the victim of an act of domestic violence, or (b) resulted from a documented medical condition (including both physical and mental health conditions).

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Examples: Exclusions



...You'll get *this*.

Illegal Acts. That are for any Injury or Sickness which is Incurred while taking part or attempting to take part in an illegal activity, including but not limited to misdemeanors and felonies, **even if the cause of the illness or Injury is not related to the commission of the illegal act.** It is not necessary that an arrest occur, criminal charges be filed, or, if filed, that a conviction result. Proof beyond a reasonable doubt is not required to be deemed an illegal act. This Exclusion does not apply if the Injury (a) resulted from being the victim of an act of domestic violence, or (b) resulted from a documented medical condition (including both physical and mental health conditions).

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Before and After the Flagship Template



Adam V. Russo, CEO, The Phia Group:

“We continue to work towards the evolution of benefit plan documents and self-funding...Our mission was to reduce the number of questions users need to answer, and we did that – reducing them by 75%.”

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Before and After the Flagship Template



Average time to complete Major Medical checklist:

2 hours

Average time to complete Flagship checklist:

30 minutes

75% fewer variables means 75% less time!

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Before and After the Flagship Template



The Flagship Template still has the basic variables, including:

- Eligibility criteria
- Leaves of absence
- Levels of appeal

...plus variables created by and exclusive to The Phia Group:

- Employee incentives
- Plan Appointed Claim Evaluator® (PACE)
- Phia Unwrapped

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Before and After the Flagship Template



Now for a quick demo!

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Before and After the Flagship Template



As with all our templates, even non-variable language in the Flagship Template can be changed at the TPA's, broker's, or group's discretion.

Our goal is to enhance the self-funded experience, one plan document at a time. Easier drafting means easier self-funding, which advances the industry as a whole.

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Thank You!



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