

MWG



# THE Premium Saver

## INSURED HRA PLAN

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# THE Premium Saver

## What is the Premium Saver?

The Premium Saver is an employer sponsored group supplemental insurance plan which is designed to help reduce the cost of group medical coverage. Combining the Premium Saver with certain major medical plans can deliver coverage groups want and can afford.

## How does the Premium Saver pay claims? It's simple!

The Premium Saver pays off of the underlying major medical plan EOB, and it pays benefits directly to the provider. When the insured goes in-network they always receive the carrier's in-network discounts.

## What coverage does the Premium Saver provide?

### Supplemental Deductible and Co-Insurance

Premium Saver plans have a supplemental deductible and co-insurance per insured person that must be satisfied before benefits are paid. After the insured's deductible has been satisfied, the plan pays the benefits described in the policy until the payments reach the Maximum Benefit Amount.

### Benefits for Hospital and Outpatient Expenses

Our most frequently selected Premium Saver plan pays the amount applied to the insured's major medical deductible, co-insurance, and co-payments. It covers the same expenses as the major medical plan, with the exception of charges for professional fees in a doctor's office (or medical clinic) or for outpatient prescription drugs.

## What Premium Saver plan designs are available?

Each employer can choose the plan design and benefit amount to achieve the maximum overall premium savings for their group. The Premium Saver is extremely flexible.

**Maximum Benefit Amount Options** are any amount from \$1,000 to \$9,500 per person per calendar year

**Deductible Options** are from \$250 to \$3,000 (higher deductible available upon request)

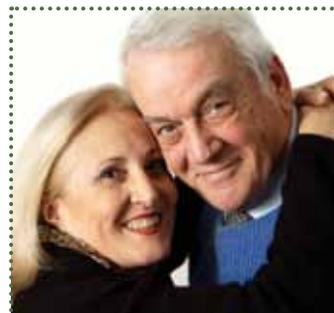
**Co-Insurance Options** are 0%, 90/10%, 80/20%, 70/30%, 75/25%, 50/50% from \$0 to \$10,000 Out-of-Pocket

## Are there any participation requirements or waiting periods?

Everyone (employees and dependents) enrolled on the group's major medical plan must be enrolled with the Premium Saver plan. On the Premium Saver effective date, everyone covered by the group's major medical plan will be covered by the Premium Saver plan.

## What are the underwriting guidelines?

There are no excluded groups. The minimum group size is 5.



# An Example of How The Premium Saver Works

In the EXAMPLE below the group received a 23% rate increase on their major medical rate plan. If the group accepted the renewal, the cost for medical coverage would increase by over \$50,000 per year. The group could not afford the renewal rates, so they started looking for alternatives. The current carrier gave a 29% rate decrease if the group changed from a \$500 deductible to a \$5,000 deductible plan. Combining the Premium Saver with a \$5,000 deductible major medical plan delivered the coverage the group wanted, and it saved the group \$25,617 per year.

<b>Current Plan</b>	Plan Deductible	Coinsurance %	Coinsurance Out-of-Pocket	Doctor Visit Co-Pay	Drug Card Co-Pay	Drug Deductible
AB Insurance Company Plan - M81	\$500	80/20 %	\$1,000	\$30	\$10/30/50	\$0
	Number of Employees	Medical Rates		Number on Plan	Total Monthly Premium	Total Annual Premium
Employee	18	\$356.30	X	18	\$6,413.40	\$76,960.80
Employee and Spouse	5	\$712.60	X	5	\$3,563.00	\$42,756.00
Employee and Children	3	\$641.34	X	3	\$1,924.02	\$23,088.24
Family	7	\$1,068.90	X	7	\$7,482.30	\$89,787.60
<b>Total</b>	<b>33</b>			<b>33</b>	<b>\$19,382.72</b>	<b>\$232,592.64</b>

<b>Renewal Plan</b>	Plan Deductible	Coinsurance %	Coinsurance Out-of-Pocket	Doctor Visit Co-Pay	Drug Card Co-Pay	Drug Deductible
AB Insurance Company Plan - M81	\$500	80/20 %	\$1,000	\$30	\$10/30/50	\$0
	Number of Employees	Medical Rates		Number on Plan	Total Monthly Premium	Total Annual Premium
Employee	18	\$439.01	X	18	\$7,902.18	\$94,826.16
Employee and Spouse	5	\$878.02	X	5	\$4,390.10	\$52,681.20
Employee and Children	3	\$790.03	X	3	\$2,370.09	\$28,441.08
Family	7	\$1,317.03	X	7	\$9,219.20	\$110,630.40
<b>Total</b>	<b>33</b>			<b>33</b>	<b>\$23,881.58</b>	<b>\$286,578.84</b>

<b>Alternate Plan Design</b>	Deductible	Coinsurance %	Coinsurance Out-of-Pocket	Doctor Visit Co-Pay	Drug Card Co-Pay	Drug Deductible
AB Insurance Company Plan - M96	\$5000	80/20 %	\$1,000	\$30	\$10/30/50	\$0
<b>Premium Saver Plan Design</b>		80/20 %	\$1,000			
	\$4,500 Benefit after the insured meets a \$500 deductible					
<b>New Combined Plan Outcome</b>	<b>\$500</b>	<b>80/20 %</b>	<b>\$1,000</b>	<b>\$30</b>	<b>\$10/30/50</b>	

## New Monthly Premium (Alternate Plan / Premium Saver Plan)

	Number of Employees	Medical Rates	Premium Saver Rates	Combined Total	Total Monthly Premium	Total Annual Premium
Employee	18	\$311.69	\$84.14	\$395.83	\$7,124.94	\$85,499.28
Employee and Spouse	5	\$623.39	\$185.89	\$809.28	\$4,046.40	\$48,556.80
Employee and Children	3	\$561.05	\$163.43	\$724.48	\$2,173.44	\$26,081.28
Family	7	\$935.09	\$265.20	\$1,200.29	\$8,402.03	\$100,824.36
<b>Total</b>	<b>33</b>				<b>\$21,746.81</b>	<b>\$260,961.72</b>

**Total Monthly Savings...**

**\$2,134.77\***

**Total Annual Savings...**

**\$25,617.24\***

\* Rates and Savings will vary by group, this is an example.

## How does a group get a quote? It's as simple as 1,2,3!

1. Contact MWG Marketing or go to our web site to acquire a "Request for Premium Saver Quote" form.
2. Complete the simple, one page form and send it to MWG Marketing. We do not need a census.
3. MWG will generate proposals designed to meet the group's goals that you describe on the quote form. Each proposal will show projected savings compared to the renewal rate. You will normally receive the custom proposals within 24 hours.

## How does a group enroll? It's simple! Employee applications are not required.

1. The employer signs a group application.
2. The agent sends MWG the group application and the enrollment information with the first month's premium 14 days prior to the requested effective date. (MWG prefers electronic transfer of enrollment information – ask about Simplified Enrollment Guidelines.)

## How to file a Claim:

### Let the Provider file the claim. This is the easiest and best way to receive benefits.

MWG will send insurance cardholders for each employee. All the insured has to do is to put their Major Medical and Premium Saver insurance cards in the cardholder and hand the cardholder to the provider. Most providers will file the claims because the benefits are paid to the provider. Guidelines and a claims assistance phone number are printed on the cardholder. On the back of the group application, MWG requests a list of the providers the group expects to use. MWA Administrators will send a letter to each provider explaining how to file claims.

### If the insured chooses to file their Premium Saver claim, they would follow these steps:

1. The insured's claim is filed with their major medical carrier.
2. The insured's major medical carrier will provide the insured with an EOB (Explanation of Benefits), which will explain the amount applied to their deductible.
3. The insured should ask their doctor and/or hospital to provide them with an itemized bill (UB92 or HCFA 1500), which will explain the medical provider's charges.
4. The insured will then send the EOB and the itemized bill from the medical provider to MorganWhite Administrators.

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