



ICHRA Masterclass:

Invigorating Group Benefits With
the Power of the Individual Market

SureCo

About SureCo

Mission

Our mission is to improve the health and well-being of working Americans.

50+ Years

We have a combined 50+ years of experience in healthcare.

Lobbying Efforts

We were instrumental in the lobbying efforts that led to the passing of ICHRA.

A photograph of a diverse group of people in a meeting. In the foreground, a man with a beard and short hair is looking towards the right, gesturing with his hand. Behind him, several other people are visible, some looking at a laptop screen. The setting appears to be a modern office or conference room.

**Transforming
Healthcare for
Working Americans**

Presenters



Tom Mafale

Chief Revenue
Officer

SureCo



Adam Olson

Vice President
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Regional Sales
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Benefits
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Syllabus

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Lesson | 01

What Is an **ICHRA**?

What Is an ICHRA?

Individual Coverage Health Reimbursement Arrangement

An alternative to traditional group health coverage that:

- Provides an easy way to offer quality, custom benefits at scale.
- Allows employees to purchase the health plan of their choice from the individual market.
- Enables companies to choose how much they contribute tax-free to coverage.
- Saves companies an average of 24% on yearly premiums.
- Was the result of a bipartisan regulatory change that went into effect in 2020.

Let's Talk About the Individual Market



What It Is

Where any American can go buy a health insurance plan.

Plans

Includes both on- and off-exchange plans that are high quality and ACA compliant.

Rates

Renewal rates are driven by the stable individual market instead of unpredictable claims.

Growth

Carrier participation continues steady 5-year growth.

ICHRA vs Traditional Group Health

	ICHRA	Traditional
Employee Plan Ownership	✓	✗
Health Expense Reimbursement	✓	✗
Coverage of Pre-Existing Conditions	✓	✓
Coverage Continuation After a Job Loss or Change	✓	Limited
Simplified ACA & COBRA Compliance	✓	✗
Tax Advantage Premiums	✓	✓
Broker-Endorsed	✓	✓

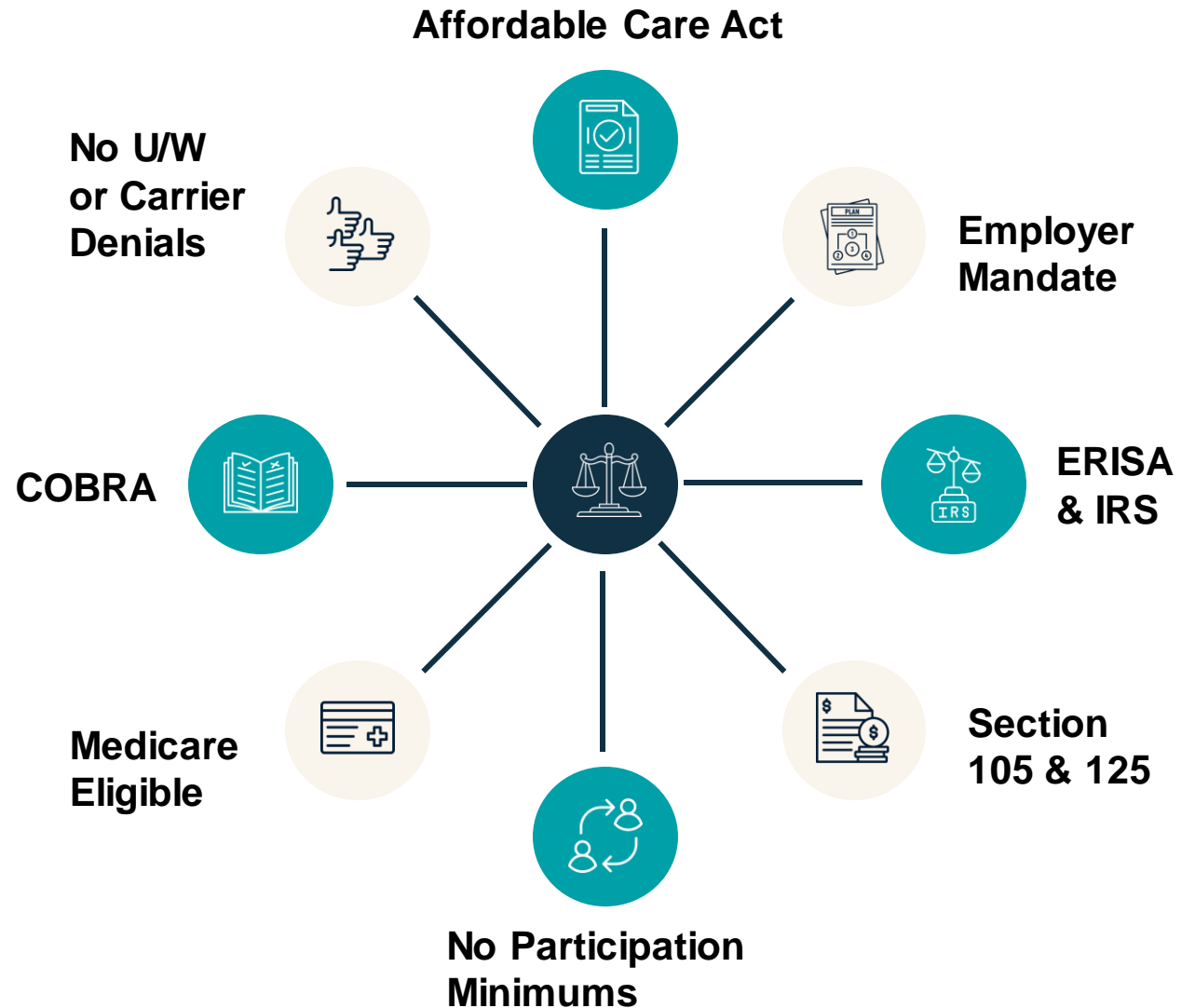
How an **ICHRA** Works



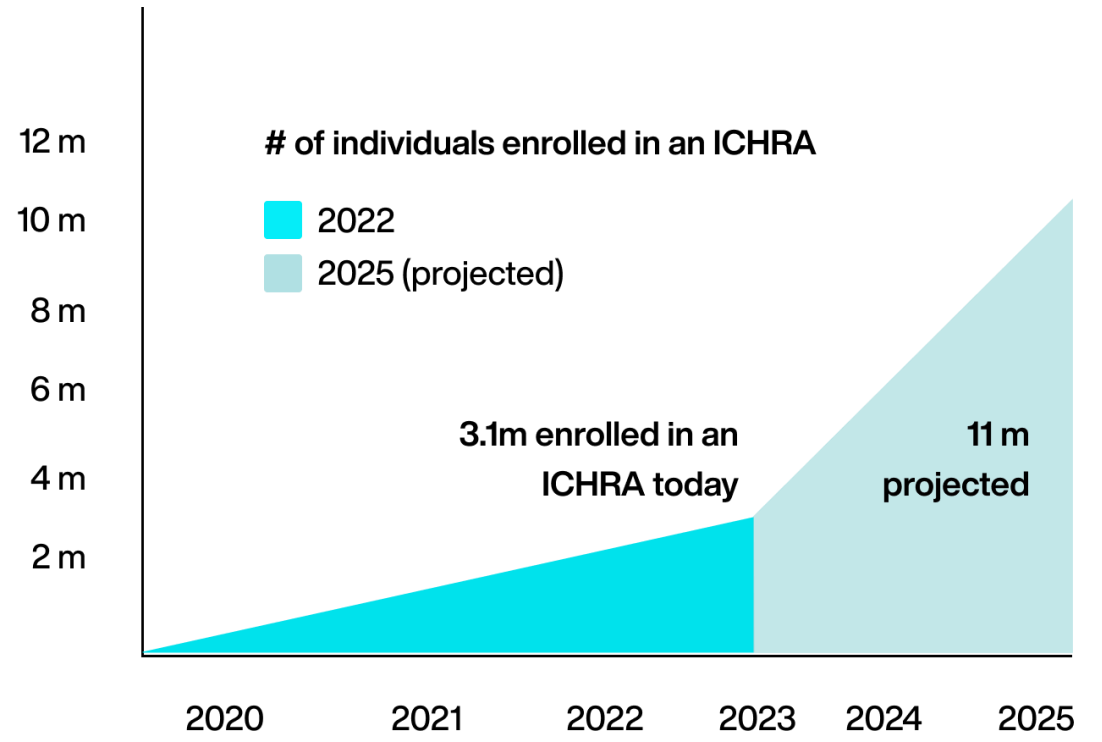
- 1 Define Your Contribution Strategy**
- 2 Employees Choose Their Health Plan**
- 3 Administration & Compliance**

Compliance and Regulation

When administered correctly, ICHRAs satisfy everything a company needs to stay compliant and reduce new risks downstream.



ICHRAs Are Growing Rapidly



By 2025, the Department of Labor predicts that 800,000+ employers will offer an ICHRA.

A Closer Look at How ICHRAs Benefit Employees



Access to in-network, local coverage



Option to keep their doctors at the best price



Freedom to choose a plan that matches their needs & budget



Ability to keep coverage due to plan portability

72% of employees say the ability to customize their benefits increases loyalty to their employer (MetLife)

A Closer Look at How ICHRAs Benefit **Employers**



Improve employee satisfaction and ensure a healthy, engaged workforce



Attract top-tier talent with competitive benefits offerings



Control long-term cost and risk without compromising quality



Easily maintain ACA compliance and virtually eliminate COBRA



Reduce administrative burden and free up HR teams' time



Strengthen relationship with existing benefits consultant

56% of employees say they're more productive when they feel cared for at work (MetLife)

POP QUIZ!

An ICHRA....

- a) Is a new easy way to provide quality custom benefits at scale
- b) Gives employees the option to retain their doctors, often at a better price
- c) Gives employees flexibility and localization in their plan options
- d) Provides employers with increased cost and risk control
- e) All of the above

Lesson | 02

Companies That Benefit From **ICHRAS**

What Type of Companies Are Best-Suited for an **ICHRA**?



High-risk & **high-turnover** industries



Companies facing high-cost **claims**



A high percentage of **Medicare-eligible** employees



Geographically **distributed** workforces



Workforce cultures of **innovation**, flexibility, and empowerment



All size companies, including **enterprise**

How **ICHRAs** Solve Common Industry Challenges



Construction

Affordable and scalable solution for high-risk workforce with skyrocketing premiums



Technology

Access to local, in-network coverage for remote workers regardless of where they live



Staffing

No participation minimums & streamlined administration for onboarding and off-boarding employees at scale

...and many more

Real World Impact of ICHRA

Case Study: Fuel Delivery Company

- ✓ Transitioned from fully insured to self-insured to ICHRA
- ✓ 20% savings after switching to ICHRA
- ✓ High employee satisfaction





Real People, Real **Solutions**

6 People*

2 ICHRA Plans

1 Happy Family

*One uncooperative toddler not pictured

POP QUIZ!

True or False?

ICHRAs are a great solution for enterprise-level companies and diverse, distributed workforces.

True or False?

An ICHRA can raise your employee satisfaction scores.

True or False?

ICHRAs present a huge opportunity for cost savings.

Lesson | 03

How a Benefits
Consultant
Evaluates **ICHRA**
Admin Partners

A Benefits Consultant's Perspective on ICHRA:

Necessary

ICHRA is a much-needed new tool in a consultant's toolbox.

Inevitable

Change is here to stay.

Easy

Using an ICHRA can be seamless with the right partner.

*“ICHRA is the **creative solution** I’ve been looking for in order to help my clients.”—Merrell Botello, Burnham Benefits*



Picking the Right ICHRA Administration Partner

The right partner will provide...



Employee classification and affordability calculations



Education, training, and communication for employees & dependents



Robust reporting for participation, satisfaction, & compliance



Ongoing white-glove administration and employee support

The right partner will **work with you and your benefits consultant** to provide a seamless migration from group health coverage to an ICHRA for your company and employees.

Picking the Right ICHRA Administration Platform

Best-in-class features to look for when evaluating a platform



Intuitive
UI/UX for
employees &
admin



Filters that allow
for sorting by
plan type (PPO,
HMO, HDHP, etc)



Provider look-
up and plan
comparison
functionality



Integrations
with existing
payroll and
HRIS

The right platform will **reduce** the administrative burden for you and your benefits consultant, so you can both focus on adding strategic value.

Questions to Ask When Evaluating a Potential Partner

Will this partner...

- ✓ Work with my existing benefits consultant?
- ✓ Provide support after implementation and open enrollment?
- ✓ Educate my employees?
- ✓ Handle affordability calculations?

Does this platform...

- ✓ Integrate with my HRIS and deduct my company's pre-tax contributions through payroll?
- ✓ Provide robust reporting metrics?
- ✓ Allow employees to easily compare plans?
- ✓ Pay carriers directly?

POP QUIZ!

Jane Smith, a VP of Human Resources, is evaluating multiple ICHRA administration partners. What should she consider?

- a) Will this partner reduce my department's administration burden?
- b) Will this partner take care of payment for each carrier?
- c) Does this partner provide reporting ACA compliance?
- d) Does this partner offer a user-friendly platform for employees to compare plans?
- e) All of the above

Lesson | 04

Why HR Teams Love **ICHRA**

How **ICHRA** Changed My Job for the Better

With Traditional Group Health:

The executive team and the employees always complained about the price and plans. Open enrollment just felt like a daunting lose-lose situation, and every year I had to repeat it with a different carrier.

With an ICHRA:

I've never had anyone complain. The costs are determined by the company and remain stable, and the employees get to choose their own plan. Now I actually look forward to the strategic advice I provide during OE.



An HR Manager's Perspective on ICHRAs

Customized

I finally get to offer benefits that match everyone's needs.

Balanced

I don't have to choose between my company's bottom line and my employees' happiness.

Compliant

I never have to worry about compliance or COBRA (YAY!).

Impactful

I get spend my time on strategic guidance instead of menial administrative checklists.

Increased HR **Efficiencies**

How an ICHRA frees up my time to focus on employee development



Onboarding: Onboard and enroll new employees seamlessly



Reporting: Gather metrics on contribution expenses, participation rates, and more



Systems: Work with your existing benefits consultant and integrate with HRIS and payroll systems



Separation: Employee plan ownership = virtually no COBRA

POP QUIZ!

Switching to an ICHRA will allow you to...

- a) Customize employee coverage
- b) Use your cost savings for new initiatives
- c) Lessen your team's workload around compliance and reimbursement
- d) All of the above

Lesson | 05

Explaining ICHRAs to Stakeholders

So, You're Thinking About Switching to an **ICHRA**



Taking the First Steps

- ✓ Talk to your benefits consultant.
- ✓ Survey your employees about their benefits priorities.
- ✓ Assess your current financials & calculate your potential ICHRA Savings.
- ✓ Make the business case to your company's stakeholders.

Estimate your savings using a free ICHRA calculator:

Calculate Your Benefits Savings Instantly

We've saved mid-market and large employers up to 40% on their health insurance premiums. Get an estimate of how much we could save your company now.

Determine If an **ICHRA** Is Right for Your Company

1 Personal Information 2 Details 3 Summary

First, Let's start with some basic information

Please provide your email so we can send you your estimate*

Total Participating Employees*

What industry best describes your business?

Where is your corporate headquarters?

Please make sure only to include the number of employees who are currently participating in the plan for their medical health insurance through your company.

How to Build Your Case for an ICHRA

ICHRA Overview

- ✓ Start with an overview that explains ICHRA.
- ✓ Touch on the value it provides to all stakeholders.
- ✓ Share some macro trends.

The Solution | Individual Coverage Health Reimbursement Arrangement (ICHRA)

ICHRA Easily Defined

The Individual Coverage Health Reimbursement Arrangement (ICHRA) is a type of employer-provided health benefit plan that allows employees to choose their own health insurance coverage from the individual market and receive reimbursement from their employer for a portion of the premiums.

Employee Satisfaction

- Employees choose a plan that fits their **needs/budget**
- Employees can keep their **preferred** doctors and facilities

Benefits Quality

- All plans are **fully insured & ACA** compliant
- Offered **pre-tax** through payroll
- Easy coverage for **out-of-state employees**

Lower Cost

- Predictable **cost & price** transparency
- Significant premium **decreases**

Easy Administration

- Fully integrated via **HRIS** systems
- More choice **without administration hassle**
- Employee plan ownership (**goodbye COBRA**)

12% savings on yearly premiums with an ICHRA in 2022

Since 2020, **17.5 million** employees have been enrolled in individual plans

40% time saved on administration hassles

By 2025, over **8 million** employers will offer ICHRAs & **11 million** previously uninsured workers will now opt into employer coverage

How to Build Your Case for an ICHRA

ICHRA vs Group Comparison

- ✓ Showcase side-by-side comparisons of the value ICHRA delivers to employees of different ages & locations.
- ✓ Include premiums, co-pays, deductibles, & out-of-pocket maximums.

[company logo] Employee Savings – Real-World Examples

	Employee #1		Employee #2	
	Traditional Group	ICHRA	Traditional Group	ICHRA
Age	61	61	35	35
Sex	M	M	M	M
Family	Yes	Yes	No	No
Location	Florida	Florida	Illinois	Illinois
Carrier	Cigna	Florida Blue	Cigna	Blue Cross Blue Shield IL
Plan Type	HMO	PPO	HMO	PPO
Monthly Premium	\$481.56	\$11.09	\$98.78	\$56.88
Deductible	\$1,500	\$500	\$2,500	\$2,500
OOP Max	\$8,000	\$8,550	\$8,000	\$8,550
Primary Care Copay	\$20	\$0	\$20	\$10
Specialist Copay	\$40	\$20	\$40	\$40
Rx Tier 1	\$10	\$4	\$10	\$5
Rx Tier 2	\$30	\$30	\$30	\$15
Doctor Match	Yes	Yes	Yes	Yes
Facilities Match	Yes	Yes	Yes	Yes
		Annual Savings = \$5,645.64		
			Annual Savings = \$505.20	

How to Build Your Case for an ICHRA

Example Case Study

- ✓ Showcase another company's savings on ICHRA.
- ✓ Include premiums & number of eligible employees.
- ✓ Address what could have happened if they didn't switch (i.e would their premiums increase?).

ICHRA Case Study | KR Management

KR Management

KR Management has over 1,000 employees & specializes in the administration of senior living communities, including 14 skilled nursing facilities, independent living, assisted living, and memory care in Florida.

KR Management Before ICHRA

- Heavy benefits administration
- Got hit with 25% premium increase in 2022
- Loss ratio around 170% - 200%

KR Management with ICHRA

- 35% savings on yearly premiums (\$350,000+)
- 950 eligible employees
- Quick implementation (under 21 days)
- Payroll reductions done seamlessly through their current HRIS system, Paycom

35% savings
on yearly
premiums

"I'm thrilled and our ownership is thrilled. This solution makes so much sense for mid-size employers like us. Other companies would be silly not to consider it."

—Heather McKamey, Vice President of Human Resources

How to Build Your Case for an ICHRA

Savings Analysis

- ✓ Translate your calculated analysis to an easy-to-read worksheet.
- ✓ Who doesn't love a worksheet?
- ✓ Remember to summarize the benefits of your proposal & win!

[company logo] **ICHRA Implementation + Potential Savings**

Enrollment Platform

- Broker friendly
- Turnkey solution
- Price transparency
- Decreased yearly premiums
- Tax advantage
- HRIS integration
- Simplified ACA & COBRA compliance
- More choice, greater customization
- Administration relief

Our Cost Savings Analysis

Current number of eligible employees:
Number of out-of-state employees:

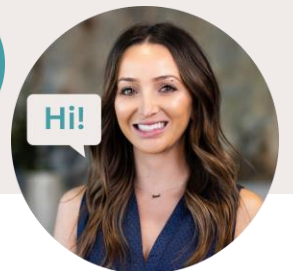
	Current Costs	Savings With ICHRA
Monthly Savings - Employees		
Annual Savings - Employees		
Monthly Costs - Employer		
Annual Costs - Employer		

Find this full
6-slide deck in the
resource section,
with **step-by-step**
audio guidance on
ensuring your
success.

[your company logo]

Why [company name] Should Make the Switch to an ICHRA

Better Health Benefits & Cost Savings for Our Business & Employees



Let's Review

Lesson 01 | What Is an ICHRA?

Lesson 02 | Companies That Benefit From an ICHRA

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Lesson 04 | Why HR Teams Love ICHRAs

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Q&A