

Welcome to the
2016 Benchmarking Results and Countdown to
Election Day: Legislative Update Seminar



June 16, 2016

Benchmarking, Best Practices and Strategies



June 2016



Benefits
Benchmarking Survey
For Mid-Market Employers



Survey Summary Statistics



Companies Participating



Total Number of Employees
in the Survey



Healthcare Dollars Spent

National (2015)

4,083

3.1 million

\$30.7 billion

Mid-Atlantic Benchmarking
Survey (2016)

140

81,967

\$912.3 million

Based on the 2015 National and 2016 Mid-Atlantic Benchmarking Survey responses

2016 National does not have enough credible responses yet. We expect it will be ready in a few months.

Current State of Affairs

Aetna CEO Raises Concerns About Sustainability Of ACA Exchanges – 02/01/16

Bloomberg News reports that Aetna CEO Mark Bertolini said that he has “serious concerns” about whether the ACA health insurance exchanges are sustainable, echoing remarks from other top insurers. Bertolini said on a call discussing the company’s fourth-quarter results, “We remain concerned about the overall stability of the risk pool.” Bloomberg adds that Aetna “is one of the biggest insurers in Obamacare and, like its rivals UnitedHealth Group Inc. and Anthem Inc., has struggled to make a profit in the business.”

Despite Gains Under ACA, About 30M Remain Uninsured – 02/07/16

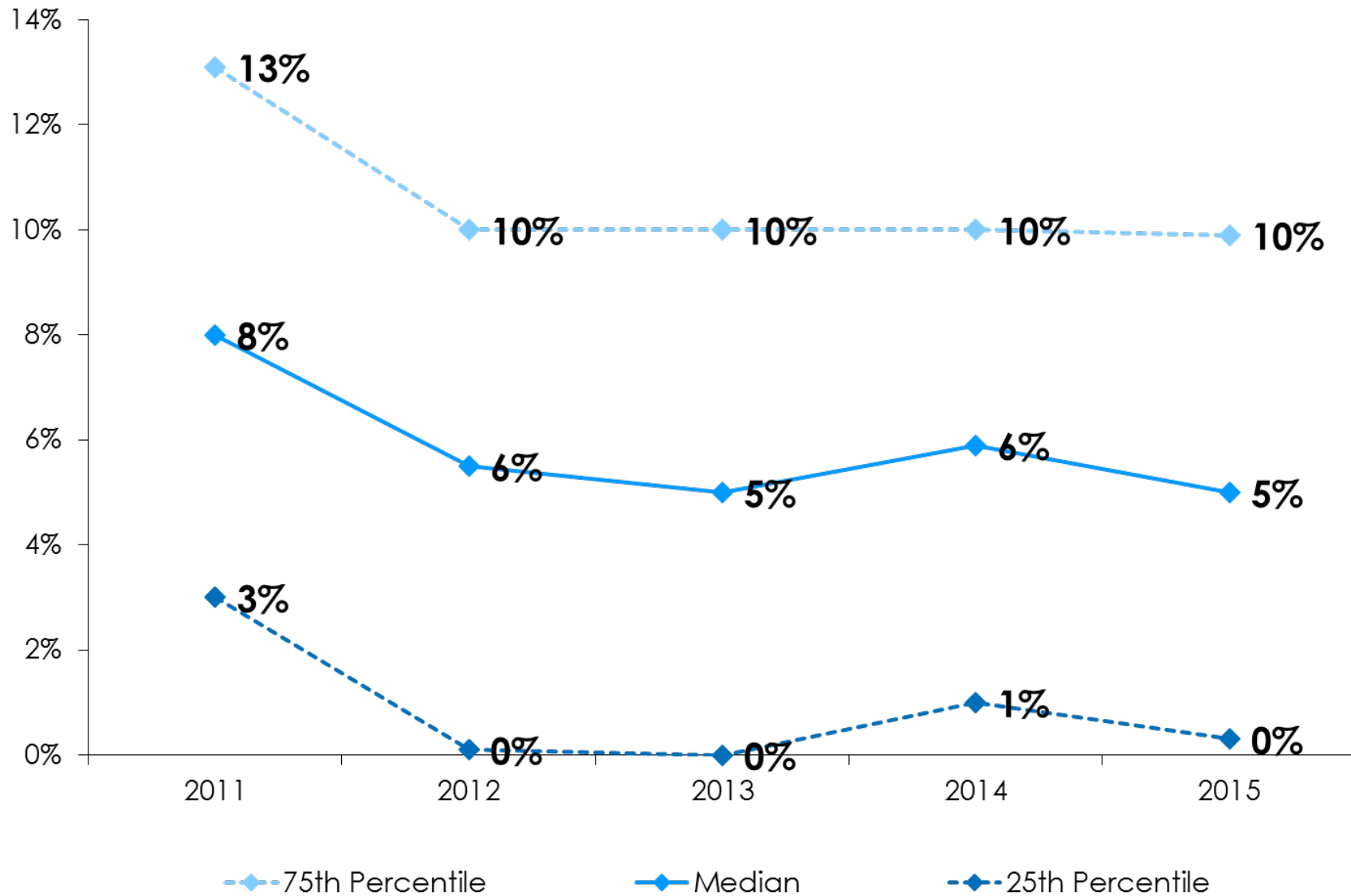
In February, The Hill reported that the ACA “faces a tougher path ahead in enrolling the roughly 30 million people who remain uninsured, despite the record gains already made.” “The Affordable Care Act has reduced the share of people uninsured to the lowest levels ever recorded, but we are still well short of universal coverage.” Asked about reducing the uninsured rate further, CMS Acting Administrator Andy Slavitt said, “If you’d asked me a few months ago if we’d be happy where we are relative to our ability to cover more people, we feel very good.”

Healthcare Inflation, Premium Rates, & Contributions for Your Market



Healthcare Inflation

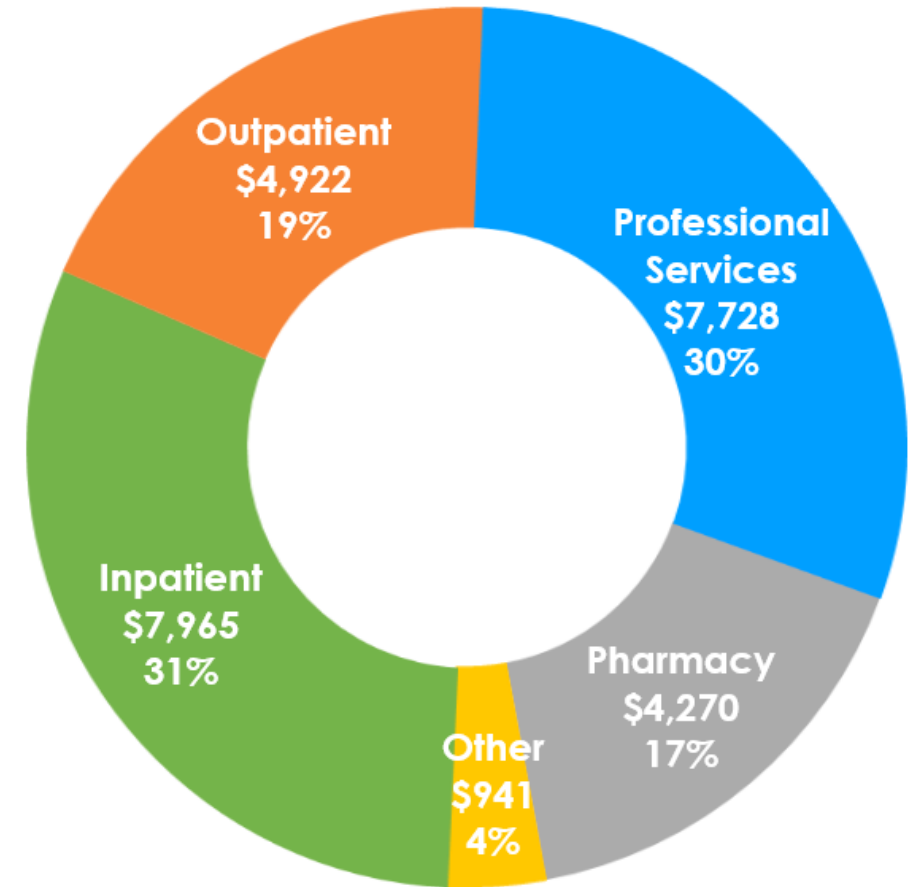
National Historical



Components of Spending



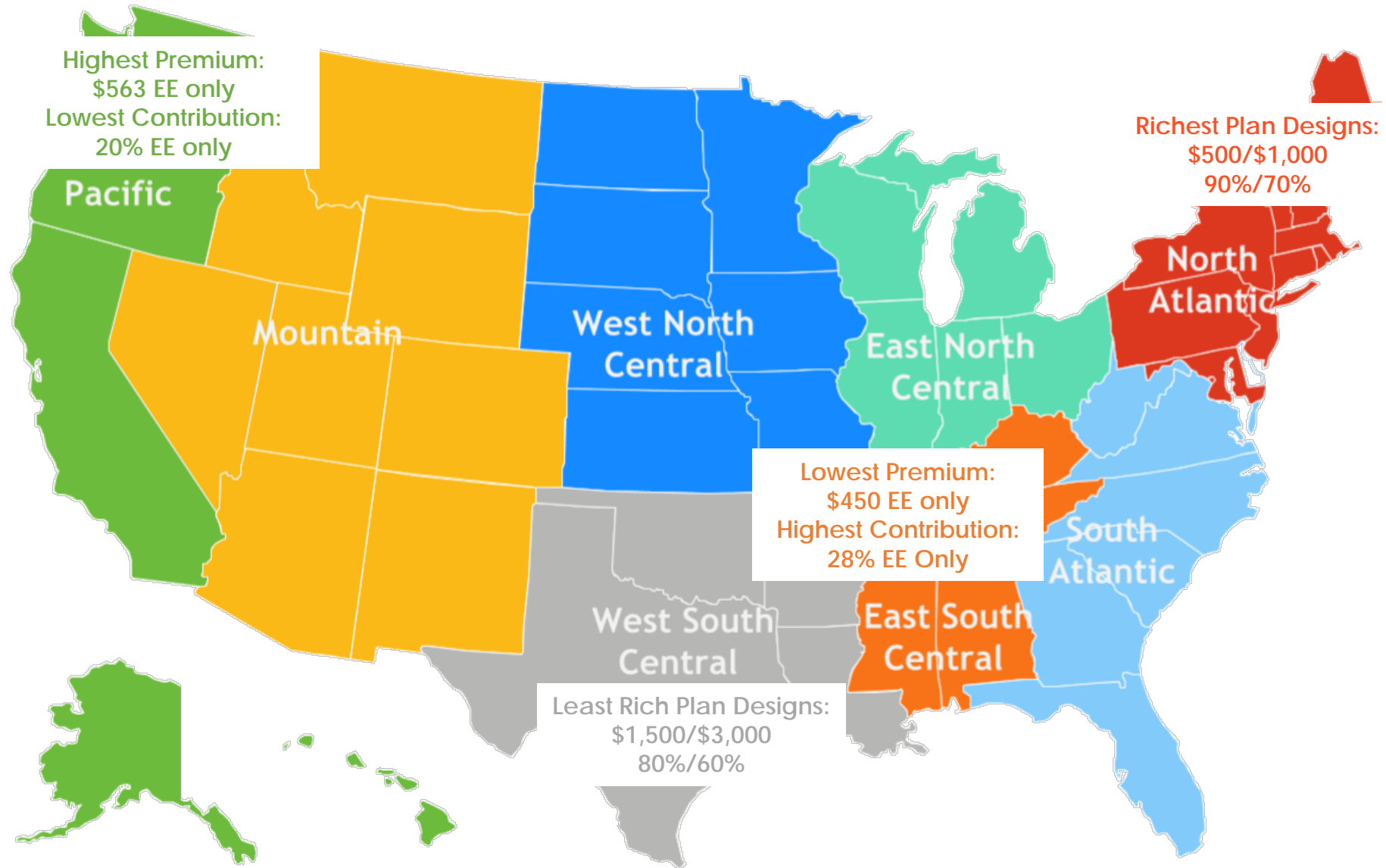
In 2016, the cost of healthcare for a typical American family of four covered by an average employer-sponsored preferred provider organization (PPO) plan was \$25,826 according to the Milliman Medical Index (MMI).



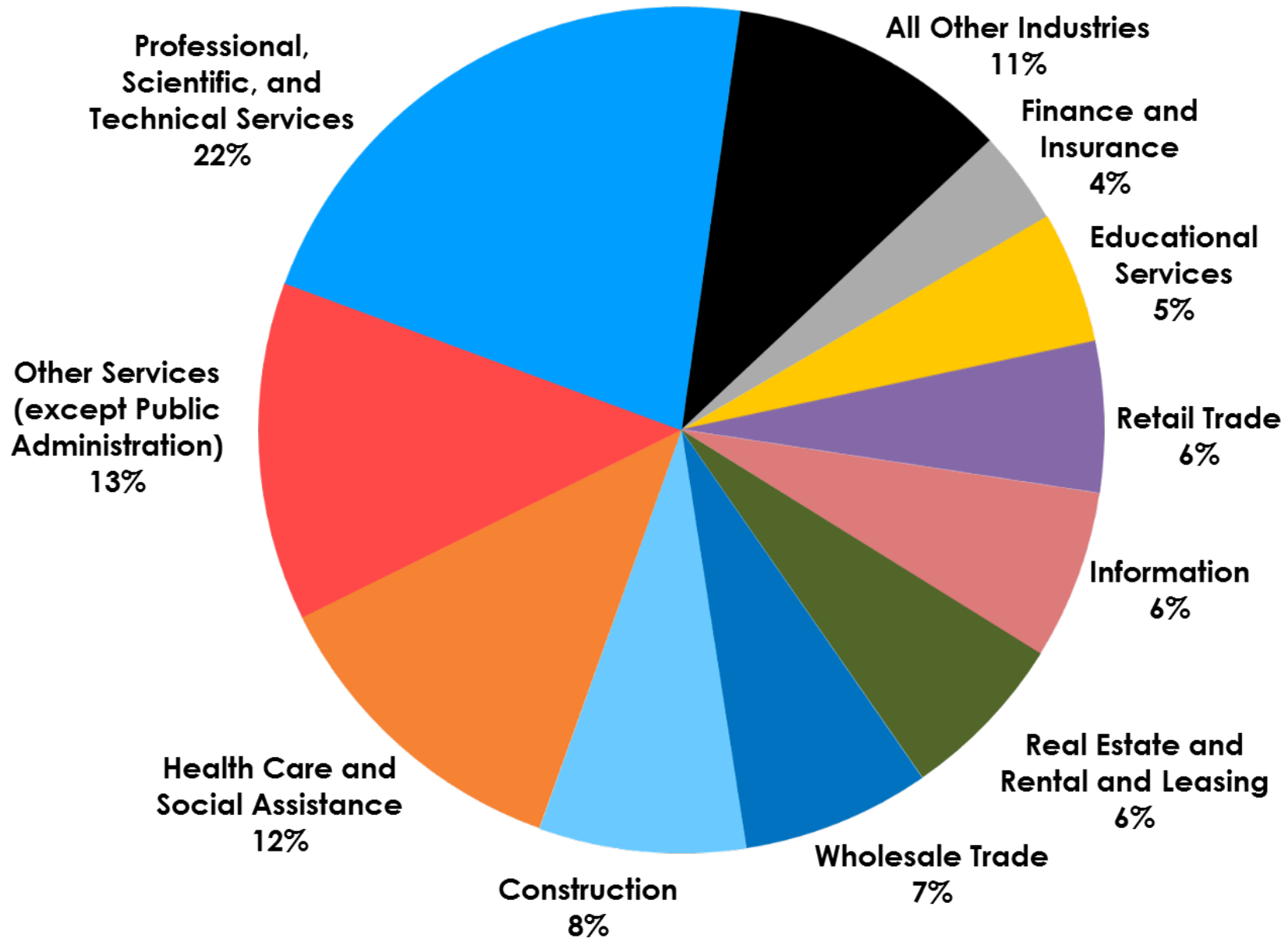
Medical Plans



2015 Regional Summary



Industries Represented



Based on the 2016 Mid-Atlantic Benchmarking Survey responses



Wellness



Healthy Lifestyle Characteristics

More than 97% of adults miss the mark on 4 basic characteristics researchers consider part of a healthy lifestyle according to a study conducted by Oregon State University.



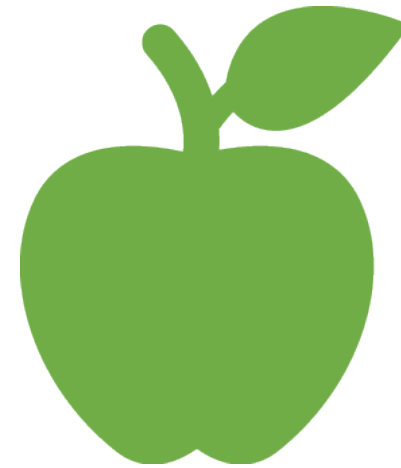
46%

Maintained healthy levels of exercise



71%

Of adults did not smoke



38%

Ate a healthy diet



10%

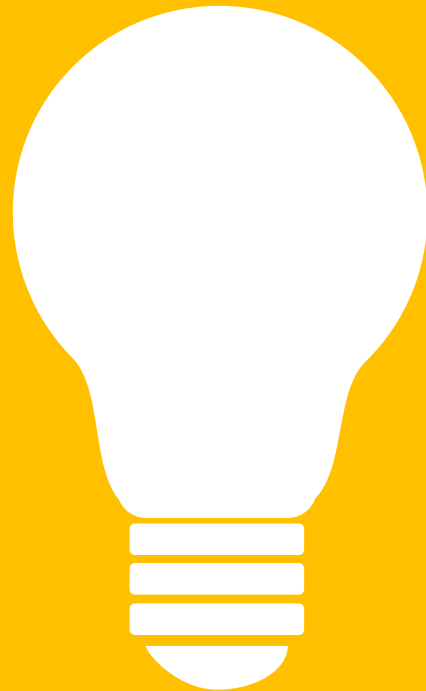
Had normal body fat

Self-Insurance

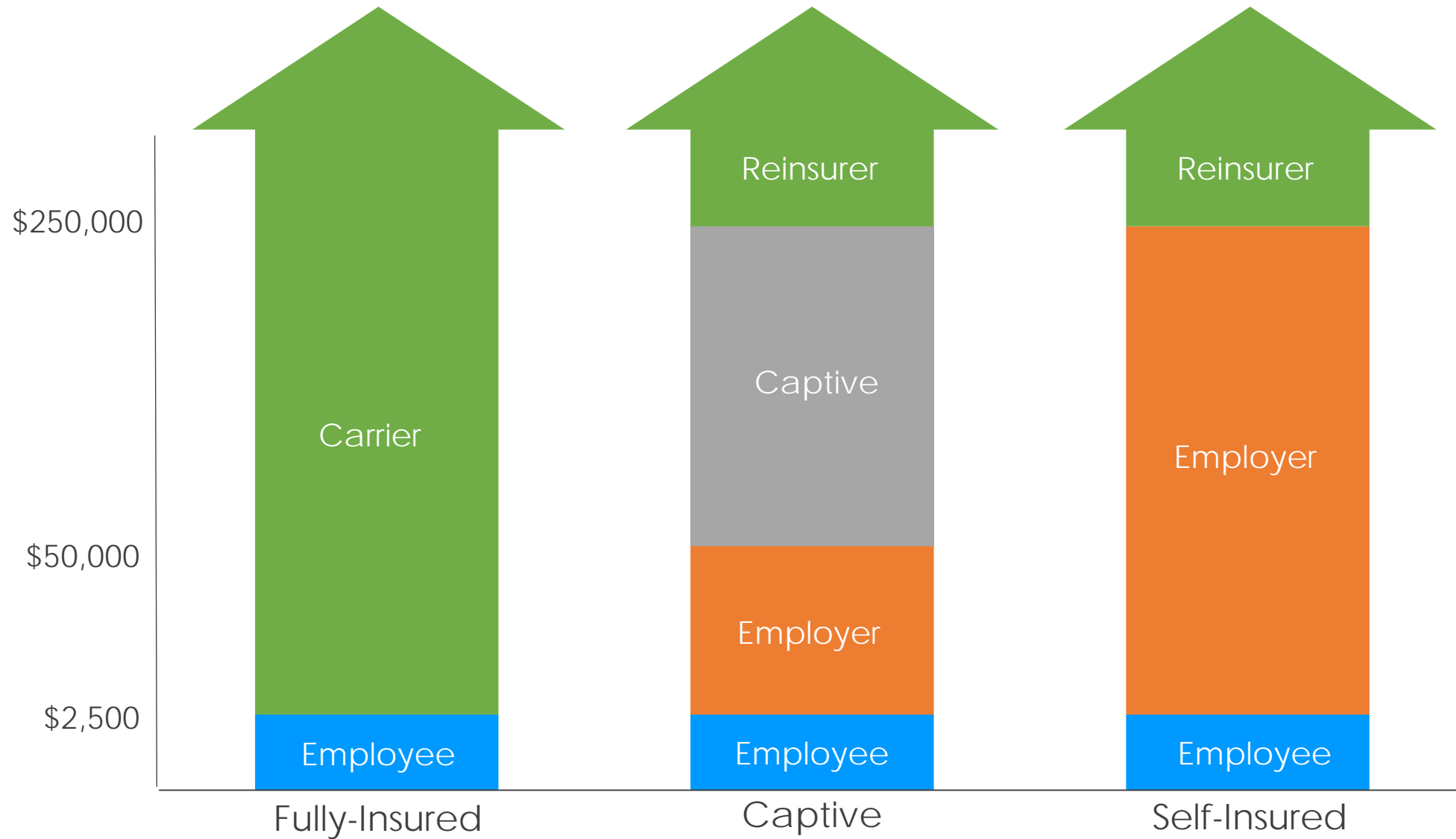


	Self-Insured Plans	Minimum Premium Plans	Fully-Insured Plans
1-49 Employees	9.7%	3.2%	87.1%
50-199 Employees	13.6%	4.9%	81.6%
200-499 Employees	36.1%	0.0%	63.9%
500-999 Employees	75.0%	0.0%	25.0%
1000+ Employees	65.3%	0.0%	34.7%
All Plans	31.3%	2.3%	66.4%

Innovative Alternatives: Captives



How Do Captives Work?



Cadillac Tax

AKA Excise Tax



- Delayed until **2020**
- Not affected by age/gender/zip code/plan design – no adjustments
- Tax = **40%** x premium in excess of the threshold
- What can you be doing now to prepare?

In performing our analysis, we relied on data provided to us by Silberstein Insurance Group. We have neither verified nor audited the accuracy of the data contained in the files. If the underlying data is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete. Where practicable, the data was reviewed for consistency and reasonableness. Due to the nature of any medical block of business, results are highly variable. As such, actual results may vary from the results provided in this report.

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To receive the entire 2016 Mid-Atlantic
Benchmarking Survey Results Presentation,
please email sara@silbs.com

