

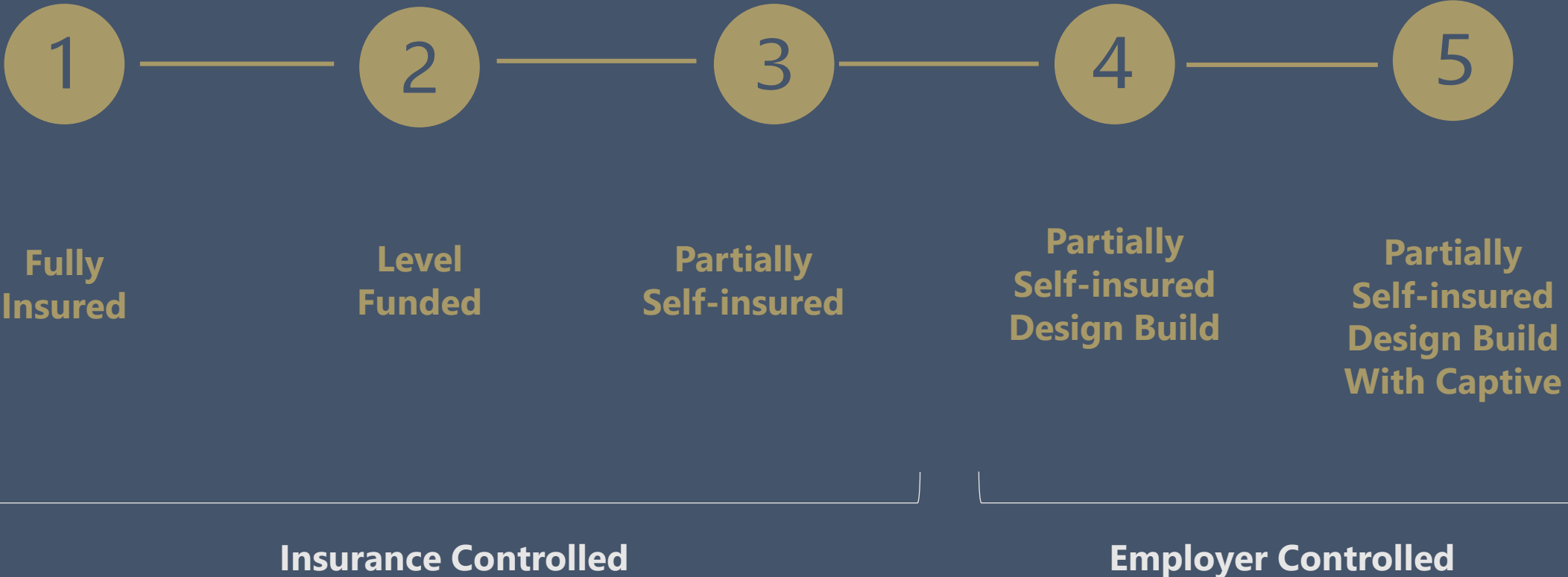
# Advantages of Self-Insurance & Healthcare Captives

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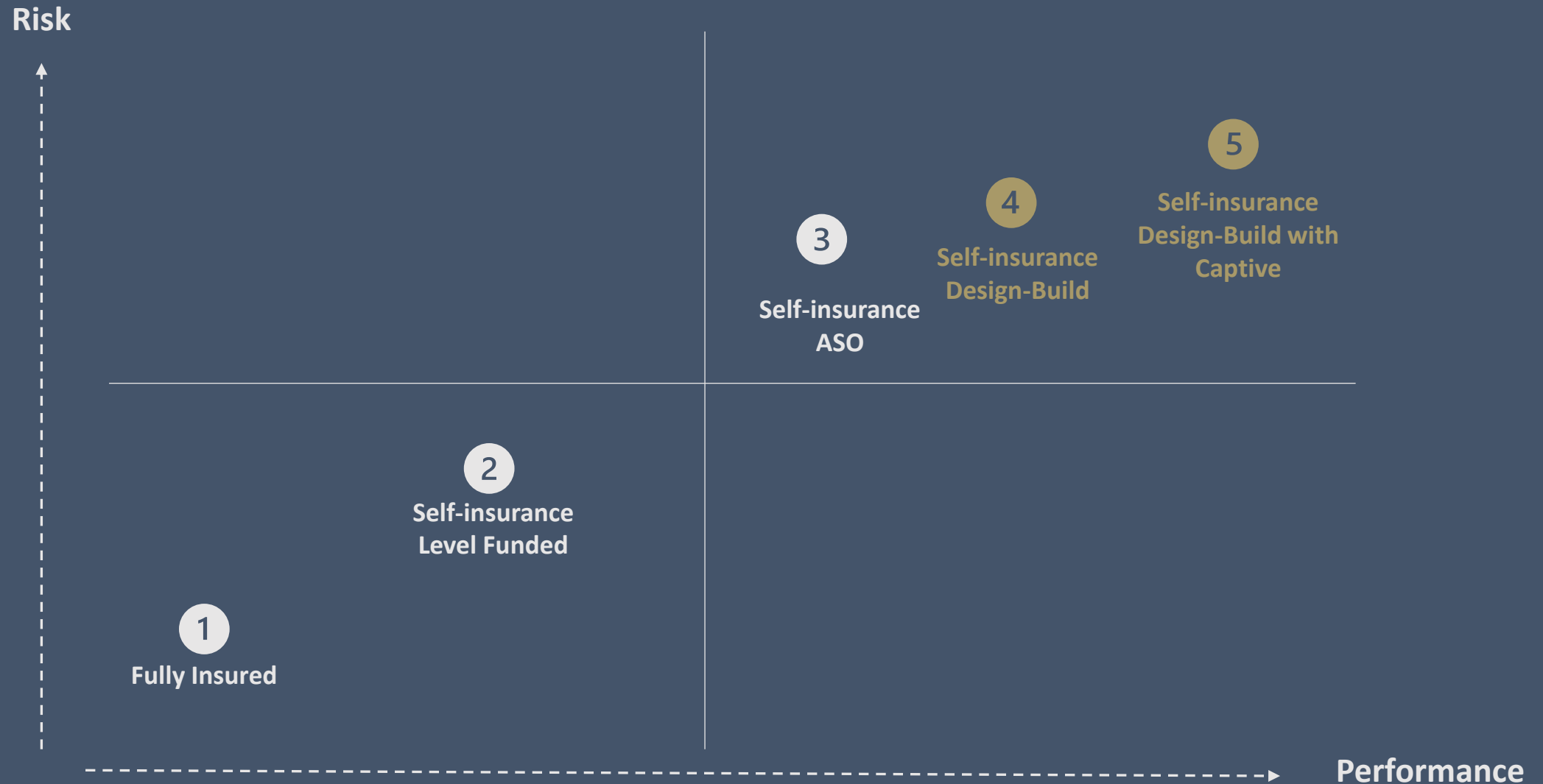


BevCap  
MANAGEMENT LLC.






# Healthcare Benefit Finance | Strategy Spectrum



# Healthcare Benefit Finance | Risk v. Performance



# Healthcare Benefit Finance | Strategy Spectrum

	Insurance Controlled Health Plan			Employer Controlled Health Plan	
	1	2	3	4	5
Attributes	Fully Insured	Self-insurance Level Funded	Self-insurance Admin Service Only (ASO)	Self-insurance Design-Build	Self-insurance Design-Build leveraging a Captive
 Cash Flow Flexibility	None	Low	High	High	High
 Control of Health Plan Inputs	None	None	Low	High/Custom	High/Custom & Best in Class
 Control of Health Plan Data	None	Low	Low	High	Highest
 Risk & Cost Management	Passive	Passive	Passive	Actively Managed	Highly managed & Best in Class
 Health Plan Cost CAGR in Prevailing Market	12-50+%	10-20%	8-12%	5-8%	(-5)%-0-5%

1

Financing healthcare costs differently creates opportunities and can put odds on your side.



2

With financing control of claims and stop loss insurance comes passive or active management choice.



3

Culture of active and innovative employers of risk and cost management.



# Migrating to Self-insurance

## Fully Insured

Costs are fixed  
Billed monthly in  
equal installments  
Hidden Fees

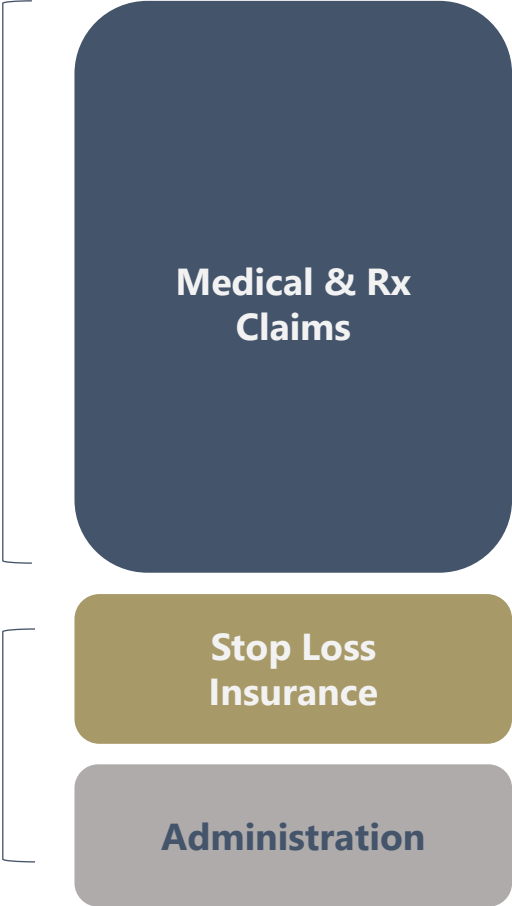


Soft Costs

## Self-insured

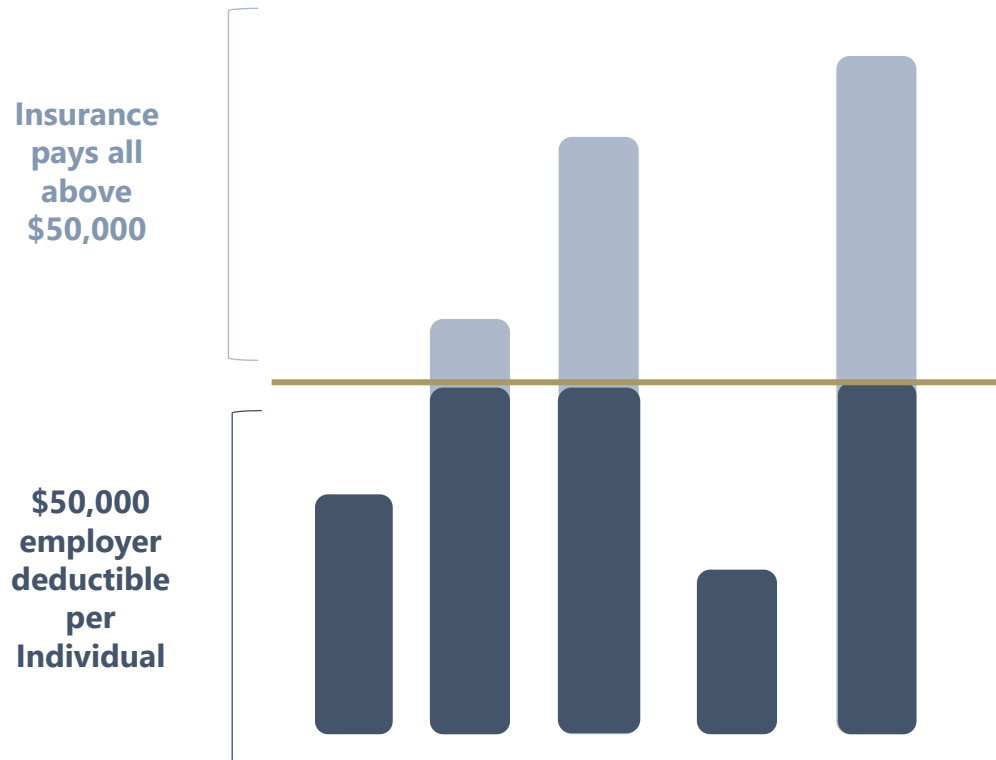
Costs are variable  
Billed weekly for  
only what you use

Fixed Costs

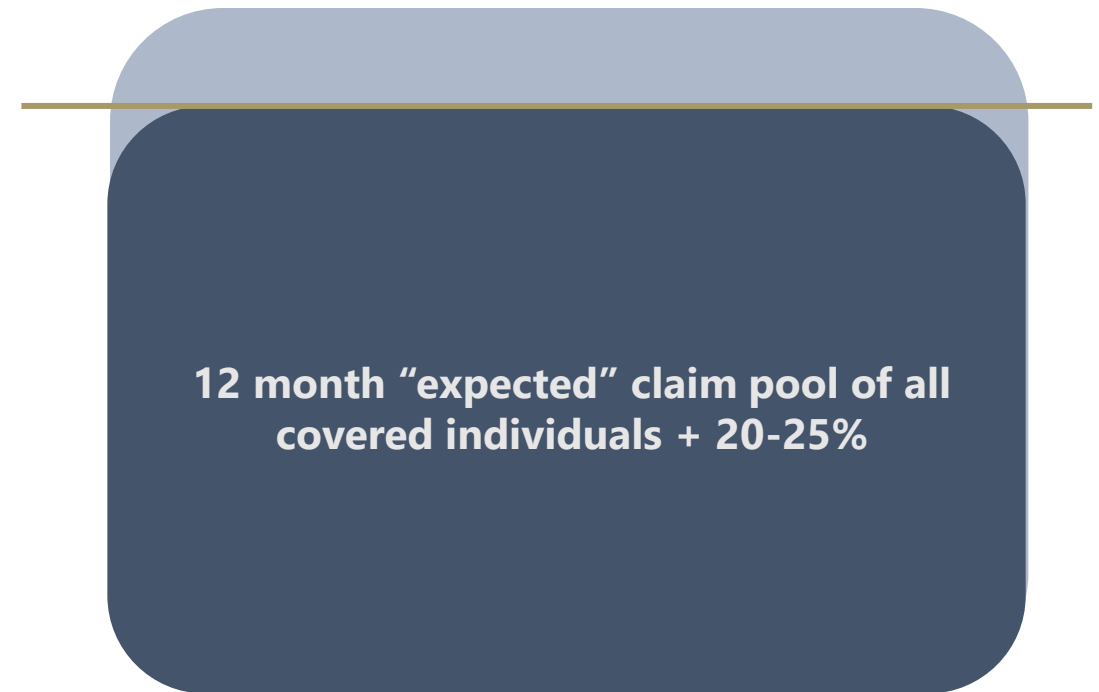


# Stop Loss Insurance | Two Parts

## Specific Stop Loss Insurance



## Aggregate Stop Loss Insurance

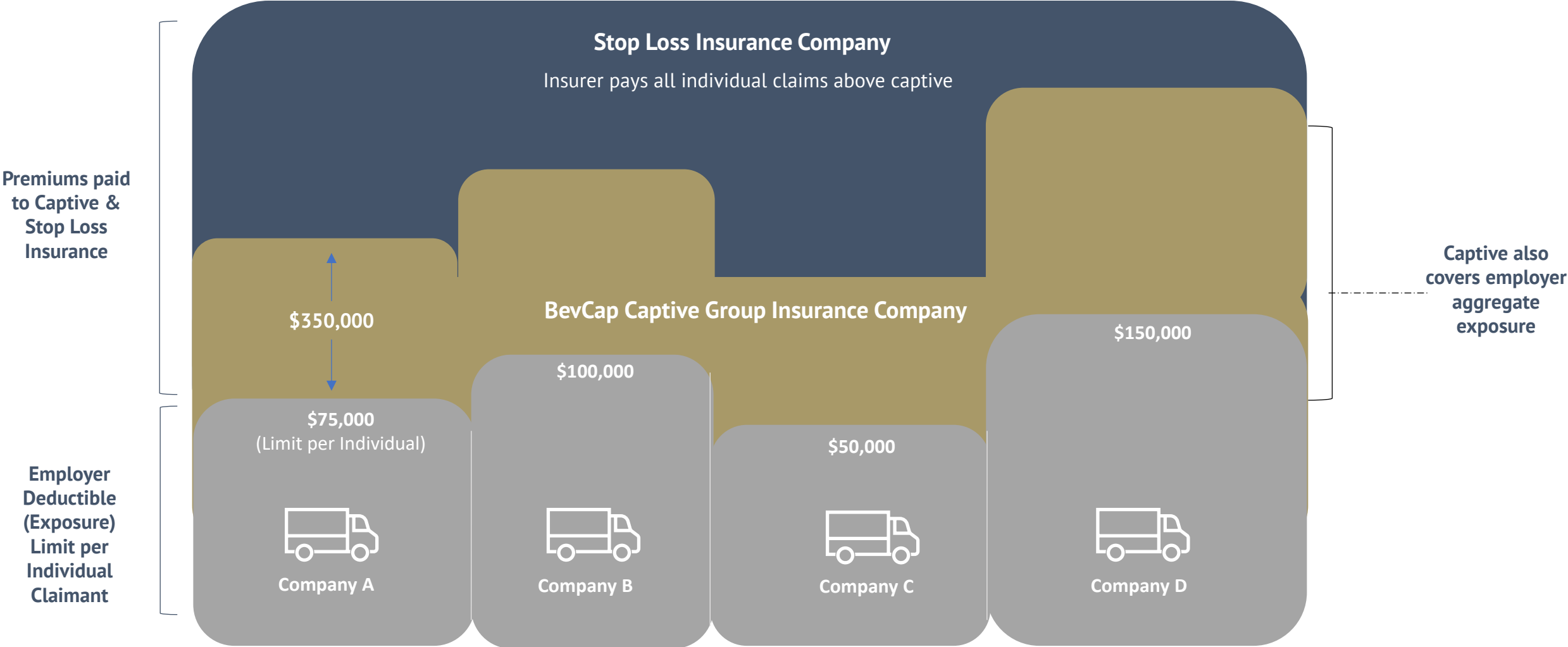


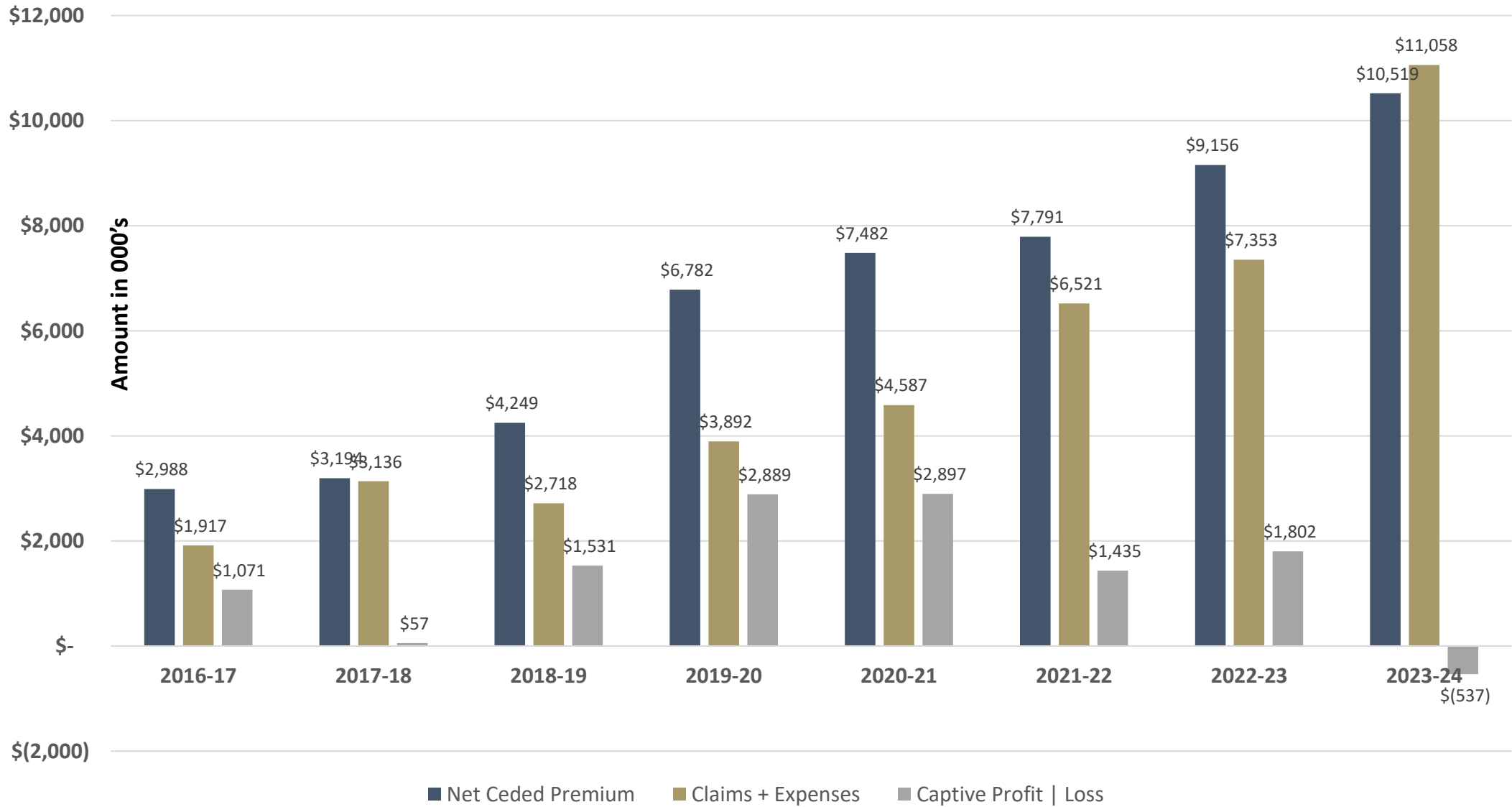
# Captive Self-insured Leveraging Captive | Employer Controlled





# Sharing & Transferring Healthcare Claims | Captive Insurance

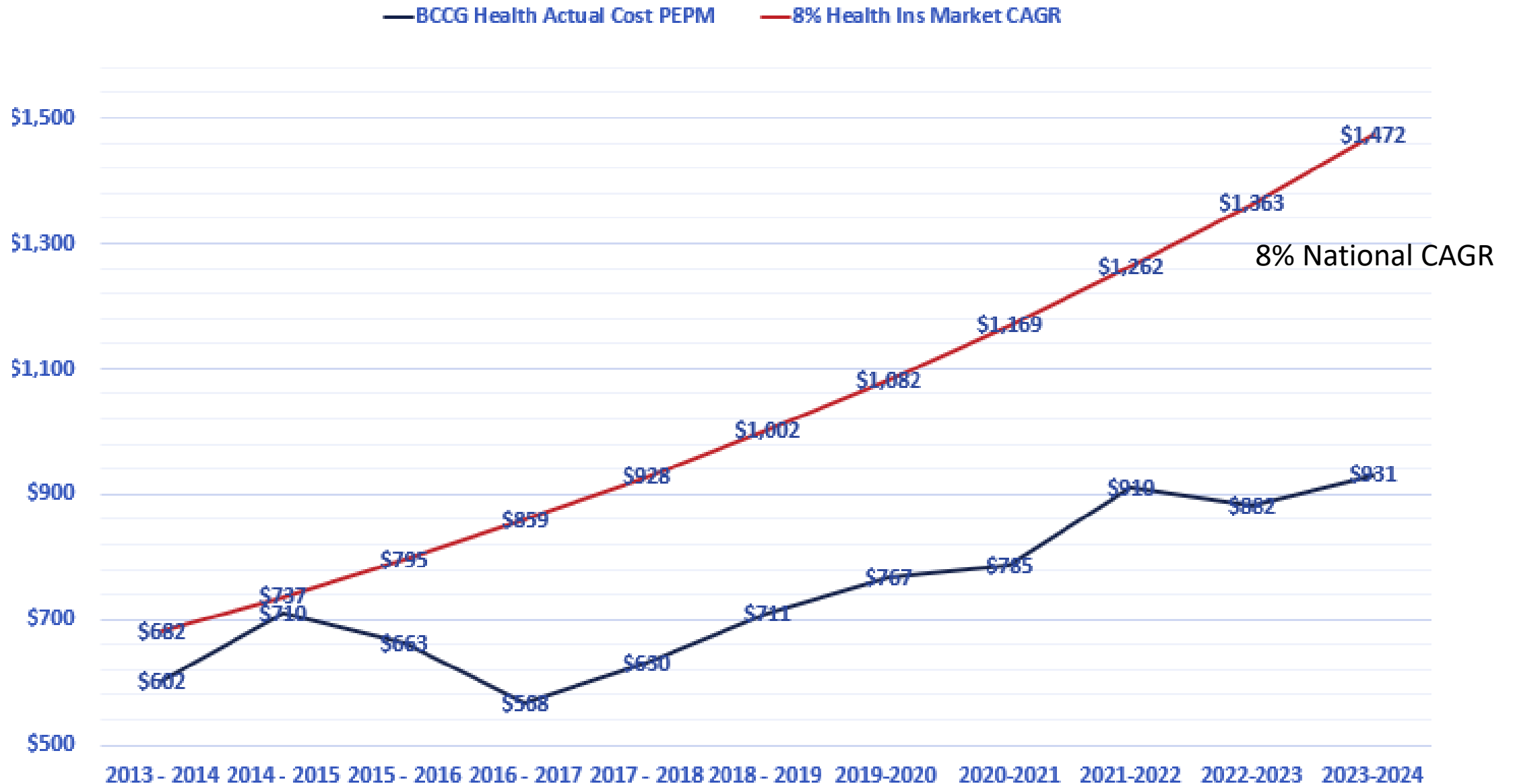




# BCCG Health Captive | 2016-2024 Performance

# BevCap Health Long-term Success vs. Market

10-year history of BCCG beating health insurance market cost growth CAGR



# BevCap Health | A Health Plan with Best Practices

**“Unbundled” health plan components designed and managed as a whole program**



# BevCap Health | Cost Management & Employee Incentives



Renal Dialysis	Pharmacy Benefit Management	Care Navigation	Specialty Rx	Surgery & Advanced Imaging	High Risk Pregnancies	Subrogation
<ul style="list-style-type: none"> <li>• Embedded plan document language</li> <li>• Plan pays all renal dialysis at 120% of Medicare</li> <li>• Net effective discount off provider charges approx 85%</li> </ul>	<ul style="list-style-type: none"> <li>• Independent Pharmacy Benefit Management</li> <li>• Lowest Net Cost strategy</li> <li>• Full pass-through model</li> <li>• 100% of rebates returned to plan sponsor</li> </ul>	<ul style="list-style-type: none"> <li>• Embedded Care Navigation for all plan participants</li> <li>• Assists in care navigation to all BevCap health captive programs</li> </ul>	<ul style="list-style-type: none"> <li>• Optional program for select specialty drugs</li> <li>• International sourcing of medications</li> <li>• Manufacturer Assistance</li> <li>• 340B Pricing (coming in 2024)</li> </ul>	<ul style="list-style-type: none"> <li>• Optional program for advanced imaging and general surgeries outside of PPO network</li> <li>• Preferred providers with direct contracts outside of PPO network</li> </ul>	<ul style="list-style-type: none"> <li>• Optional program for all pregnant mothers</li> <li>• 24/7 access to maternal fetal medicine specialists</li> <li>• Year supply of diapers upon completion</li> </ul>	<ul style="list-style-type: none"> <li>• Embedded independent subrogation of medical claims</li> <li>• Enhanced focus and recovery of third-party plan dollars owed to plan sponsor</li> </ul>
<b>Plan Participant</b>	<b>Plan Participant</b>	<b>Plan Participant</b>	<b>Plan Participant</b>	<b>Plan Participant</b>	<b>Plan Participant</b>	<b>Plan Participant</b>
Embedded in Plan	Embedded in Plan	Embedded in Plan \$0 Cost to Access	Embedded in Plan \$0 Cost to Access	Embedded in Plan \$0 Cost to Access	Embedded in Plan \$0 Cost to Access	Embedded in Plan

# BevCap Management | Captive Solutions

Heterogeneous



Homogeneous



# Thank You

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