



## NIS Self-Funded Advantage: A Comprehensive Solution for Public Sector Employers



Many public sector employers are choosing to become proactive about controlling/containing their medical benefit costs and making their plans affordable and sustainable. One effective way they are doing this is by self-funding their health insurance.

Advantages include:

- Plan designs based upon employer/employee environment and utilization data
- Avoiding some taxes that apply to fully insured plans
- Medical/RX transparency
- Managing claims with a real time clinical and financial advantage
- Gain a base for employer wellness (or other) efforts to strategically control or improve the best medical outcomes and plan satisfaction for employees

The NIS Self-Funded Advantage is a complete self-funded package created specifically for the public sector. We have exclusive/proprietary arrangements with partners that are best in class within the self-funding industry.

### Network and Claims

Blue Cross and Blue Shield of Minnesota's Aware Network<sup>1</sup> provides your employees with easy access to a statewide network that includes more than 97% of hospitals and physicians in Minnesota — making it easy to get the care they need.

- Cost-cutting convenience
- The [Aware Network](#)<sup>2</sup> includes:
  - » 182 hospitals
  - » 16,860 primary care providers
  - » 33,784 specialty care providers
- Broad access
- Superior network savings
- Global availability

Claims processing workflow:

1. Claims receipt
2. Initial data reconciliation
3. Claims processing
4. Approving, denying, and pending claims
5. Payment

### Customer Service

Through [NIS Self-Funded Advantage's partnership with Blue Cross and Blue Shield of Minnesota](#), your plan members gain toll-free telephone access to U.S.-based Customer Service Representatives from 7:00 a.m. to 8:00 p.m. Central time, Monday through Friday. More services are available outside of normal business hours, such as Blue Cross interactive voice response service or online resources.

### Stop-Loss Insurance

A risk-mitigating feature from the [NIS/AP Stop-Loss Coalition \(APSLC\)](#) that provides you with:

- Market-leading terms and pricing
- Access to financially stable reinsurers, providing you with competitive stop-loss rates and unmatched protection
- Gap analysis
- Both aggregate and specific stop-loss limits
- Enhanced stop-loss underwriting and quote turnaround time (2-3 weeks)
- Benchmarking, survey, and predictive modeling tools
- Monitoring reports for claims reimbursement and recovery assistance
- Monthly reporting and experience reviews

## Pharmacy Benefit Management (PBM)

Provide your employees with a total-patient experience that allows them to connect medical and pharmacy needs with the integrated model from [Blue Cross and Prime Therapeutics LLC](#).

- The model offered by Blue Cross provides a comprehensive patient picture focusing on your members, better outcomes, and overall net costs. Together, [Blue Cross and Prime Therapeutics](#) team up to highlight coverage gaps and reduce the amount of unnecessarily expensive procedures.
- Integration Drives Savings<sup>3</sup>
  - » 9% Fewer Hospitalizations
  - » 4% Reduction in ER Visits
  - » 11% Lower Medical Cost

<sup>1</sup> This network includes providers one county in to the neighboring states of Iowa, South Dakota, North Dakota, and Wisconsin. When seeking care in these counties, employees should search for providers using Aware Network (not BlueCard PPO).

<sup>2</sup> Numbers are reflective of signed contracts as of March 2018 and are subject to change.

<sup>3</sup> "Carve-in Pharmacy Benefits Drive Cost Savings: Results of National BCBSA Study" Blue Cross Blue Shield Association, December 2013. Prime Therapeutics LLC is an independent company providing pharmacy benefit management services.



## NIS Self-Funded Advantage: A Comprehensive Solution for Public Sector Employers - Optional Enhancements



### CompleteCare

**CompleteCare** offers eligible employees a financial incentive to waive their medical benefit and enroll in their spouse's group medical plan instead. It reimburses them up to 100% of the out-of-pocket medical expense they would have encountered in their medical offering's equivalent health plan. **CompleteCare allows your organization to realize immediate savings on your health benefits** while providing the employee with up to 100% coverage for their medical expenses.

### Regenexx

Orthopedic and musculoskeletal spend accounts for nearly 30% of a plan sponsor's overall healthcare spend annually. The **Regenexx** Corporate Program allows self-funded public sector organizations to partner with the **Regenexx Physician Network** to reduce their orthopedic surgical spend by over 80%.

- 84% Reduction in Orthopedic Cost
- Less Time Away from Work
- Over 95% Avoid Surgery
- Less Physical Therapy
- Less Need for Pain Medication
- Reduced Recovery Time by 60%

### Grand Rounds

**Grand Rounds** firmly believes that high-quality care is synonymous with lower health care costs. They are the leader in identifying high-quality health care providers and connecting patients with these physicians. This supports improving patient outcomes, avoid unnecessary procedures, and helps reduce costs for everyone.

**Grand Rounds** provides a comprehensive health benefit that meets patient needs throughout their health care journey.

- Cost savings by avoiding delayed or incorrect diagnosis, unwarranted, or ineffective treatments
- Significant time and "mental tax" savings when employees or their loved ones are faced with health care challenges
- Healthy, productive employees and a marketable benefit that helps attract and retain top talent



## NIS Self-Funded Advantage: A Comprehensive Solution for Public Sector Employers - Savings Illustration



### Assumptions: Fully-Insured Public Sector Employer

Eligible Employees:	250
Current Cost Per Employee Per Month:	\$1,100
Annual Health Insurance Spend:	\$3,300,000

### With NIS Self-Funded Advantage\*

Current Fully Insured Spend:	\$3,300,000
Saves Carrier Profit at Approx 1.5%:	\$49,500
Saves Premium Taxes at Approx 1.8%:	\$59,400
Rx Savings at 15% of Pharmacy Claims:	\$69,300
CompleteCare Savings at 2% Year 1 (Increases Over Time):	\$66,000
Regenexx Savings at 25% of Orthopedic Claims:	\$145,200
Grand Rounds Savings at \$10 Per Employee Per Month:	\$30,000
Medical Concierge/Price Transparency at 3%:	\$99,000

**Annual Savings: \$518,400**  
**% Savings: 15.7%**

\*These savings estimates are based on realistic average results. Your results may vary.