



NNAHRA
NATIONAL NATIVE AMERICAN HUMAN RESOURCES ASSOCIATION

27th Annual Conference

Gila River Resorts & Casinos
September 25-27, 2023



Your partner in new possibilities.

Risk Retention Strategies

NNAHRA Annual Conference

Presented By:

Mark Patrick, Senior Vice President

AGENDA:

2 New NNAHRA Programs

Life Group Purchasing
A Tribal Member Benefit

Trends & Business Impact

When to Change Risk Strategy

Pros & Cons of Self-funding

Maximize your Self-funded plan



Life Group Purchasing



Program overview



What is a GPO?

- Leverages purchasing power of members to negotiate special pricing
- Provides better rates but allows customized policies
- NNAHRA engaged Alliant Insurance to build first Tribal GPO
- Not an association plan (each tribe has its own contract)



Benefits & Expected Outcomes of Joining!



What benefits will be included?

- Employer-Paid Group Life and AD&D Insurance
- Employee-Paid Voluntary Life and AD&D Insurance
- Burial Benefits

Don't miss out!!

- Estimated savings of 10% or more

What is the value?

- Group savings
- contractual benefit advantages
- Benchmark study

Maintain your own risk

The NNAHRA GPO is not an association plan in the traditional sense. The GPO will allow all Tribes to maintain autonomy. You will not need to make any benefit changes, and will not share risk with other Tribes inside the GPO.



1000

Click to access forms

[illegible]

Alliant's job is to offer the best and most comprehensive plan options for you!

Provide us with these 5 Simple Items:

- ***Under 1,000 lives – 3-5 years of rate history***
- ***Over 1,000 lives – 5 years of experience***



Why Do We Need This Information

Market Knowledge

The GPO will negotiate pricing and terms with vendors so you don't have to, but we need the data to work with the insurance markets. The NNAHRA GPO will simplify the process by negotiating on behalf of all the membership at one time, providing better contract language, service teams, and of course pricing. You save time and money.

Market Knowledge

NNAHRA is partnering with Alliant Insurance, one of the Nation's largest insurance brokerage firms with extensive Tribal experience to help us find the best insurer, best products and best pricing for our members.



Feel free to reach out to our partners:



Mark Patrick
Senior Vice President
Mark.Patrick@alliant.com

Send Information to:



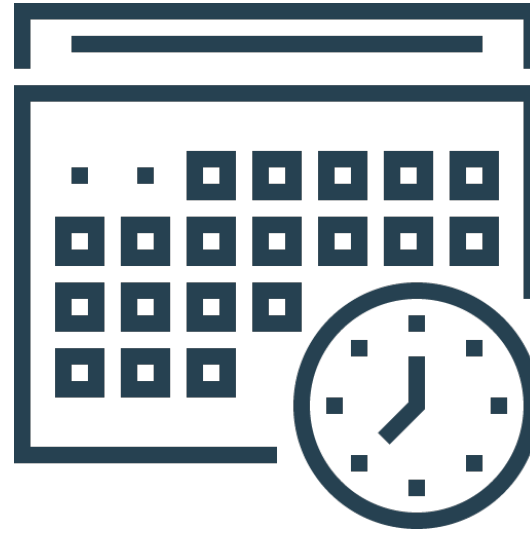
Jodie Richardson
Account Executive
Jodie.Richardson@alliant.com



Amanda Tidd
Account Associate
Amanda.Tidd@alliant.com



Available Today



We can work with each tribe to set a start date that matches your goals

Quoting available today!

Alliant is able to start quoting now for an effective date of January 1, 2024 or later.



AFLAC Tier One



A NNAHRA First!



- **We are making AFLAC products available to all Tribal Members**
- **Purchased 100% through a “Amazon-type” website**
- **Tribal members choose plans they want**
- **Direct credit card payment**



Your Workload is NOT Increased

- **HR simply sends information to your membership**
- **No payroll deductions**
- **No HR billings**
- **No claims support (AFLAC provides all of this)**

When an accident occurs, there can be more fees outside of hospital bills

Find the right product for you and buy today!

Residence State

Please Select



Age

Enter Age

Covering

Please Select



Get My Quote

Why choose Aflac?



Easy to file claims and get paid fast.



Peace of mind that doesn't have to break the bank.



Our policies help cover you and your family.

We can help cover you



When you're sick or injured is not the time to wonder how to pay for unplanned costs that traditional health care insurance may not cover. Aflac can help fill in those holes so you can focus on getting better.

Aflac pays you¹ cash fast



Get paid quickly with direct deposit for covered claims through our streamlined claims process. We're here to make sure you get the cash you need as fast as possible to help cover your medical expenses.

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Coverage is underwritten by Tier One Insurance Company | 1932 Wynnton Road | Columbus, GA 31999

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When an accident occurs, there can be more fees outside of hospital bills

Your product options

Residence State

Washington X

Age

43

Covering

Me

[Update](#)

Critical Illness Insurance



Pays a cash amount to help cover diagnosis and treatment costs associated with a covered critical illness.

- ✓ Covered illnesses include heart attack, stroke and more
- ✓ Cash benefit increases over time

Starting at
\$16.49/month

[See Plans](#)

Cancer Insurance



Helps pay for expenses associated with screening, treatment, and recovery from a cancer diagnosis.

- ✓ Annual cancer check
- ✓ Initial cancer diagnosis
- ✓ Chemotherapy

Starting at
\$17.66/month

[See Plans](#)

Accident Insurance



We pay you cash to help with costs related to a covered accident or injury.

- ✓ Emergency treatment
- ✓ Follow-up treatment
- ✓ Hospitalization

Starting at
\$20.18/month

[See Plans](#)

We can help cover you



When you're sick or injured is not the time to wonder how to pay for unplanned costs that traditional health care insurance may not cover. Aflac can help fill in those holes so you can focus on getting better.

Aflac pays you¹ cash fast



Get paid quickly with direct deposit for covered claims through our streamlined claims process. We're here to make sure you get the cash you need as fast as possible to help cover your medical expenses.

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[Back](#)

Cancer Insurance Plan Options

Pays you cash to help cover the costs incurred with a cancer diagnosis and subsequent recovery treatment.

Residence State: Washington
Age: 43 yrs
Covering: Me

[Edit](#)

Standard Plan

\$17.66/month

Add to Cart

Plus Plan

\$32.16/month

Add to Cart

Elite Plan

\$45.16/month

Add to Cart

✓ Cash Benefits

✗ No Copays

The following benefits will pay the cash amount shown below to you and/or your covered family members for costs above what traditional health insurance covers.

Prevention

✓ Hospitalization

✓ Surgery

✓ Diagnosis

✓ Treatment Accommodations

✓ Cancer Treatment

✓ Associated Therapies

✓ Continuing Care

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1
Quote

2
Eligibility

3
Personal Details

4
Order Review

5
Checkout

Review Your Quote

State
Washington

Age
43 yrs

Covering
Me

Cancer Insurance

Pays you cash to help cover the costs incurred with a cancer diagnosis and subsequent recovery treatment.

Standard Plan \$17.66

Total Monthly Payment \$17.66

Save Your Progress

Enter your information to save your progress and receive an email link to come back where you left off and purchase your plan.

First Name
Test




Last Name
Test

Email Address
tes@test.com

By continuing, I acknowledge that I have read and understand the [Consent for Electronic Transactions, Records and Signatures](#).

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Eligibility Questions

Is this insurance intended to replace any other health insurance now in force?

☒ No ☐ Yes

Is anyone to be covered also covered under any other Cancer coverage with Tier One?

☒ No ☐ Yes

NO INSURANCE PRODUCER MAY COMPLETE THE MEDICAL HISTORY PORTION OF THIS APPLICATION.

Has anyone to be covered ever been diagnosed with or treated for [Cancer](#) or an [Associated Cancerous Condition](#) of any type or form, [other than Nonmelanoma Skin Cancer](#)?

☒ No ☐ Yes

Has anyone to be covered had Nonmelanoma Skin Cancer that was diagnosed or last treated **within the last ten years**?

☒ No ☐ Yes

Has anyone to be covered been advised by a member of the medical profession to receive a test or procedure for the potential presence of [Cancer](#) or an [Associated Cancerous Condition](#) **which has not yet been performed**?

☒ No ☐ Yes

Has anyone to be covered had a test or procedure (such as a biopsy, mammogram, Pap smear, PSA, chest X-ray, or colonoscopy) that tests for the presence of [Cancer](#) or an [Associated Cancerous Condition](#), **for which you have not received the results**?

☒ No ☐ Yes

Has anyone to be covered received abnormal or indeterminate test results from a [Cancer](#) or [Associated Cancerous Condition](#) test or procedure **within the past six months** or are you or anyone to be covered waiting on the results of a medical test or procedure for an undiagnosed condition?

☒ No ☐ Yes

Continue

Personal Details

Please enter the required fields below.

My Info

First Name

Test

Middle Initials (Optional)

Last Name

Test

Suffix (Optional)

Please Select

Date of Birth

01/01/1980

SSN

XXX-XX-1234

Gender

M

F


X

Update

Home Address

123 Main St

Spokane, Washington 99201



Contact Info

Primary Phone Number

1-888-888-8888

By providing your mobile number, you authorize Aflac to send you service related text messages such as policy status and payment reminders.

Click here for [Terms of Use](#) and [Privacy Policy](#).

Email

test@test.com

Confirm Email

test@test.com

☒ I prefer an electronic copy of my policy instead of a paper copy.

Continue



Review Your Order

Cancer Insurance - Standard Plan	\$17.66
View All Plan Benefits	
Additional Benefits to Add to Your Coverage ⓘ	
<input type="checkbox"/> Initial Diagnosis Increasing Benefit Rider Cash Benefit Amount: \$500	+ \$5.70
Get additional coverage that increases the amount you receive if you are diagnosed with a covered cancer or an associated cancerous condition. Your Initial Diagnosis Benefit will increase by \$500. Coverage accumulates each year on the anniversary date of your policy while it's in effect.	
Total Monthly Payment	\$17.66

Covered Under This Policy

- 1. Test Test (Primary)

Effective Date

Select the date you want your coverage to begin. Your effective date is also your first scheduled monthly payment. You can change your payment date any time after your policy is active.

Effective Date for Coverage
08/31/2023 ⓘ

10-Day Free Look Period

It is important to us that you are satisfied with your policy. If you are not satisfied within this period, you can contact us and we will reimburse you for your first payment. Additional details will be available in your policy documents.

Continue

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An Added Bonus!



- **HHAHRA endorsed employee program**
 - Low rates
 - Better contractual provisions
- **Complimentary comparison with all voluntary benefit plans you offer your team members**

**** You can offer Tribal member plan without the group plan**

Marketing Materials will be forth-coming from NNAHRA



**To get a free contract comparison to
AFLAC or any other voluntary plan
contact:**



Mark Patrick
Senior Vice President
Mark.Patrick@alliant.com





Trends and Business Impact



**When is the
RIGHT Time?**



**“Timing and Accuracy is really what
matters at the end of the day.”**

**- Carson Wentz
Superbowl MVP**

WHAT IS “UNSUSTAINABLE”?

**USA is spending almost
18% of GDP on Medical
Care**

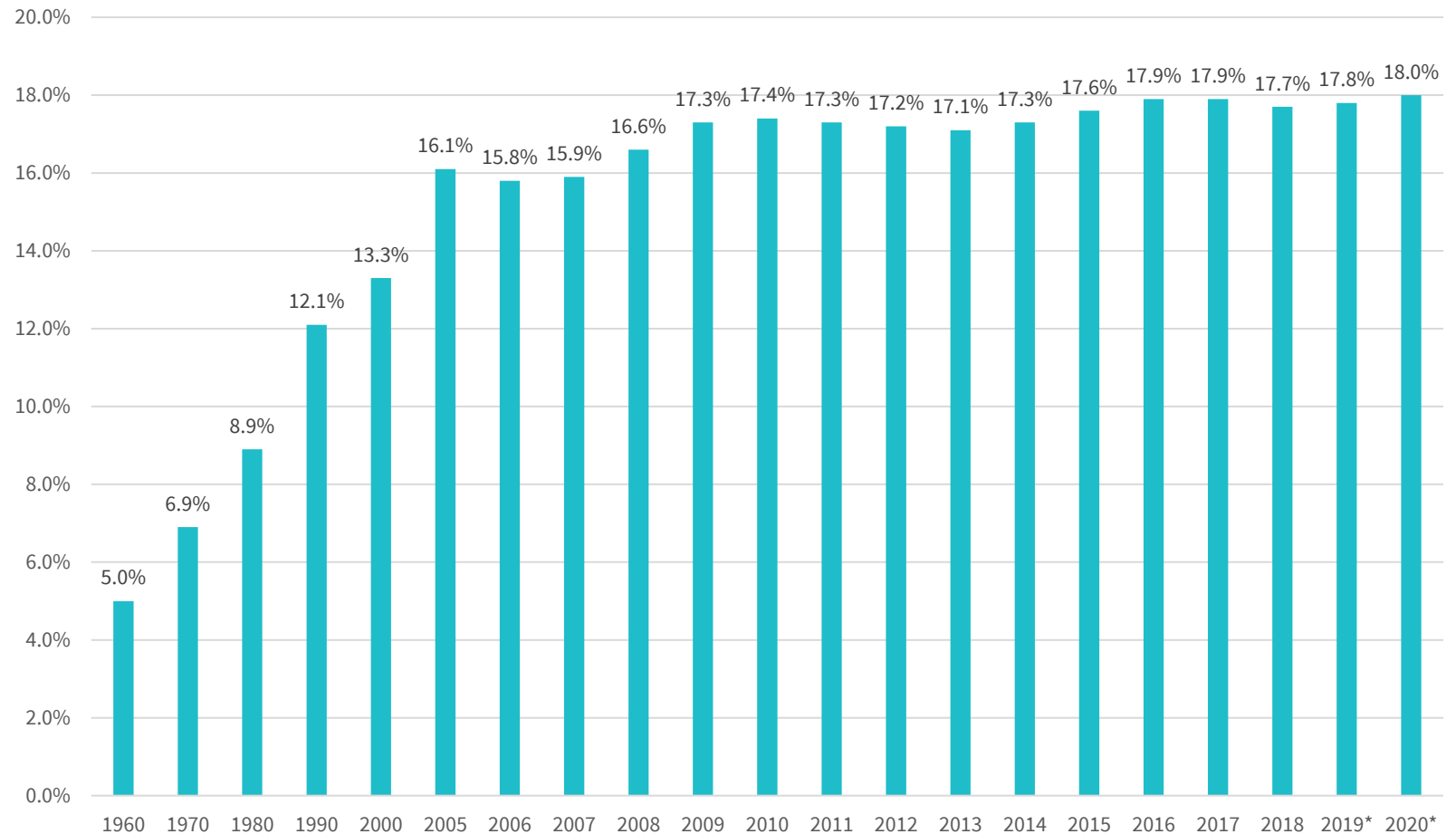
BUT...

“Nothing is unsustainable until
we as a country decide it is.”

SO...

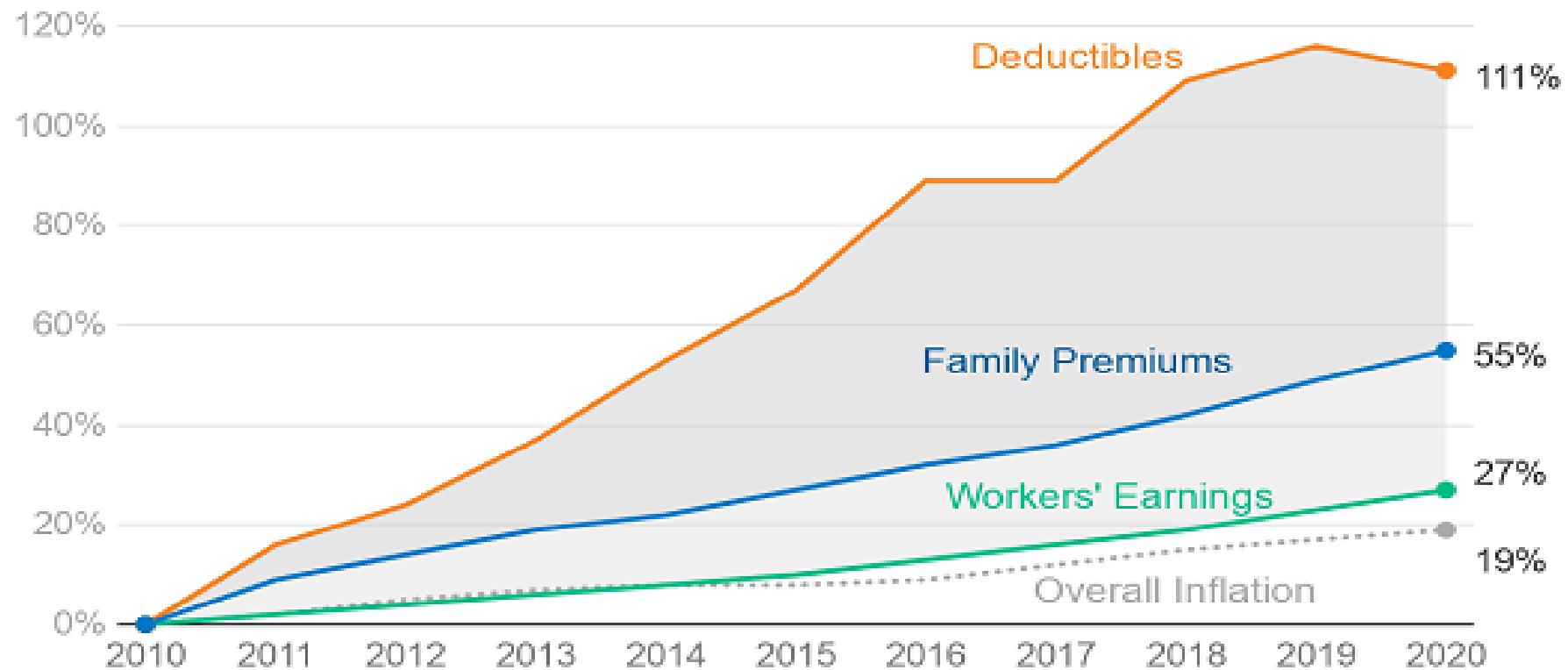
What’s the impact?

U.S. National Health Expenditure as Percent of GDP
1960 - 2020



THE HIDDEN PAYCHECK LOSS

Employer Premiums and Deductibles Have Risen Much Faster than Wages Since 2010



NOTE: Average general annual deductibles are for single coverage and are among all covered workers. Workers in plans without a general annual deductible for in-network services are assigned a value of zero.

Why Is This Happening?

Medical Inflation

1. Technology:

- MRI's have gone from Black and White to 3-D color
- Cost went from \$750 to \$2,500

2. Age Demographics:

- From 2010 to Today 65+ increased from 12% to 17% in USA
- Healthcare Costs are 3x at age 65 than lifetime up to that point

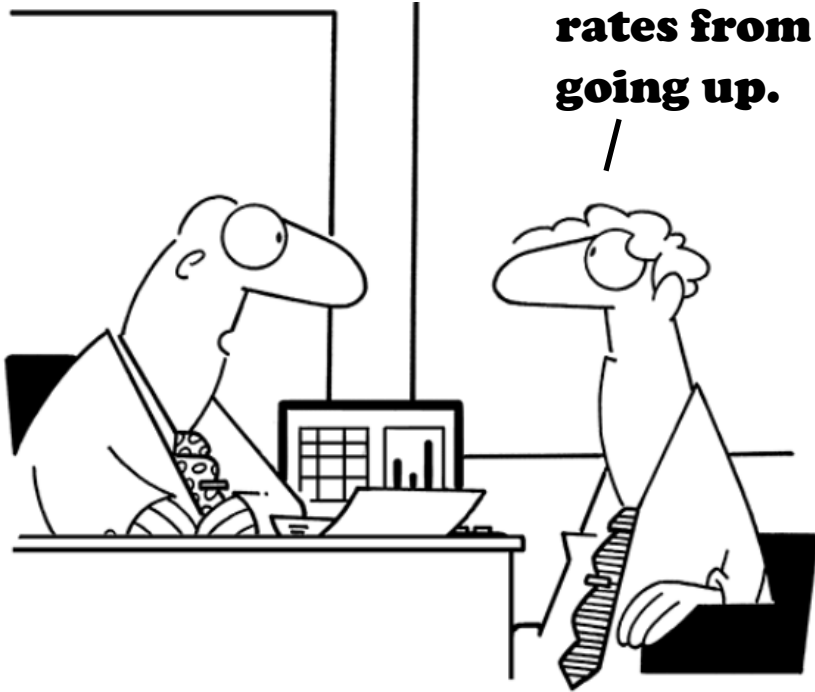
3. Rx Trend:

- In the last 7 years, 63% more people taking RX Drug costing \$50K or more
- 2010 – The 3 of top 10 drugs were Specialty, Today it's the top 9 out of 10!



EMPLOYER STRATEGIC REACTION

**“I’d like to
buy insurance
to stop my
insurance
rates from
going up.”**



You can’t stop inflation...

but, when you retain risk, you can

1. Build a Better Culture

- Teach employees how to use healthcare
- Manage health

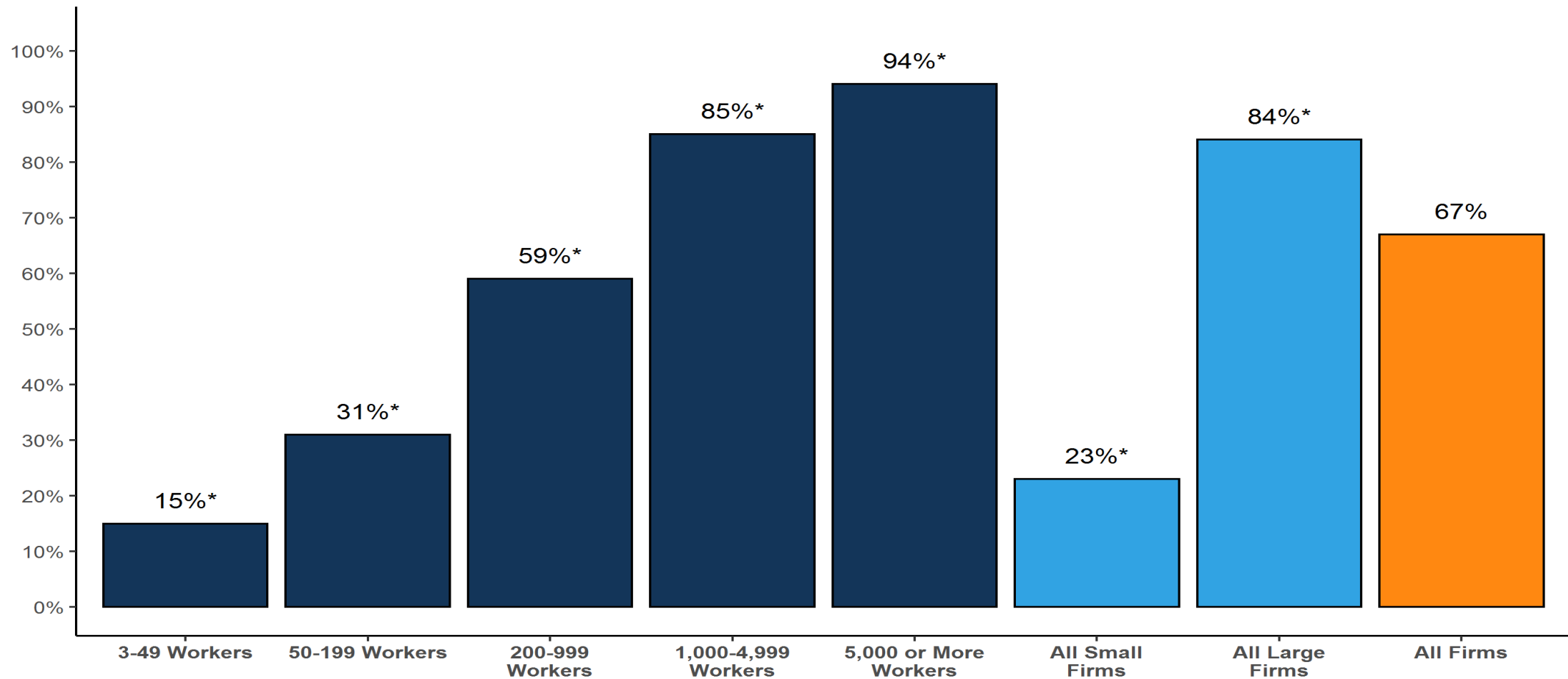
2. Own your Costs and Risk

- Actively lower costs/margin
- Utilize Government Programs

WHICH CLIFF ARE YOU ON?



PERCENTAGE OF COVERED WORKERS ENROLLED IN SELF-FUNDED PLAN



* Estimate is statistically different from estimate for all other firms not in the indicated size category ($p < .05$).

NOTE: Includes covered workers enrolled in self-funded plans in which the firm's liability is limited through stoploss coverage. See the glossary at the end of Section 10 for definitions of self-funded, fully-insured, and level-funded premium plans. Small Firms have 3-199 workers and Large Firms have 200 or more workers.

SOURCE: KFF Employer Health Benefits Survey, 2020

WHAT TO CONSIDER WHEN ANALYZING RISK

1. Renewal are a great indicator

- If lower renewals then your insurer is making money!
- One bad year isn't bad!

2. The stability of your workforce is helpful

- High turnover is higher risk
- Consistency leads to more predictability

3. Cash Flow and Accounting

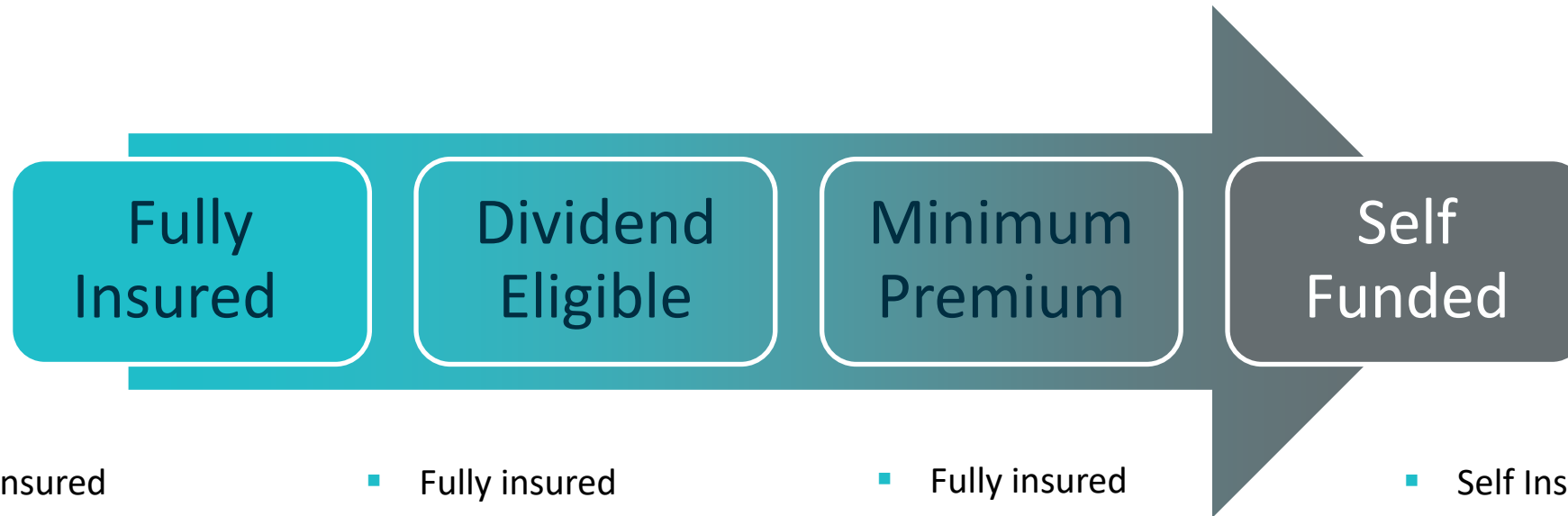
- Be able to handle ebbs and flows
- Some sophistication in reserving/admin/payment

4. Politics and HR/Finance Credibility

- Do you have internal capital for tough claims decisions?



HEALTH INSURANCE FUNDING CONTINUUM



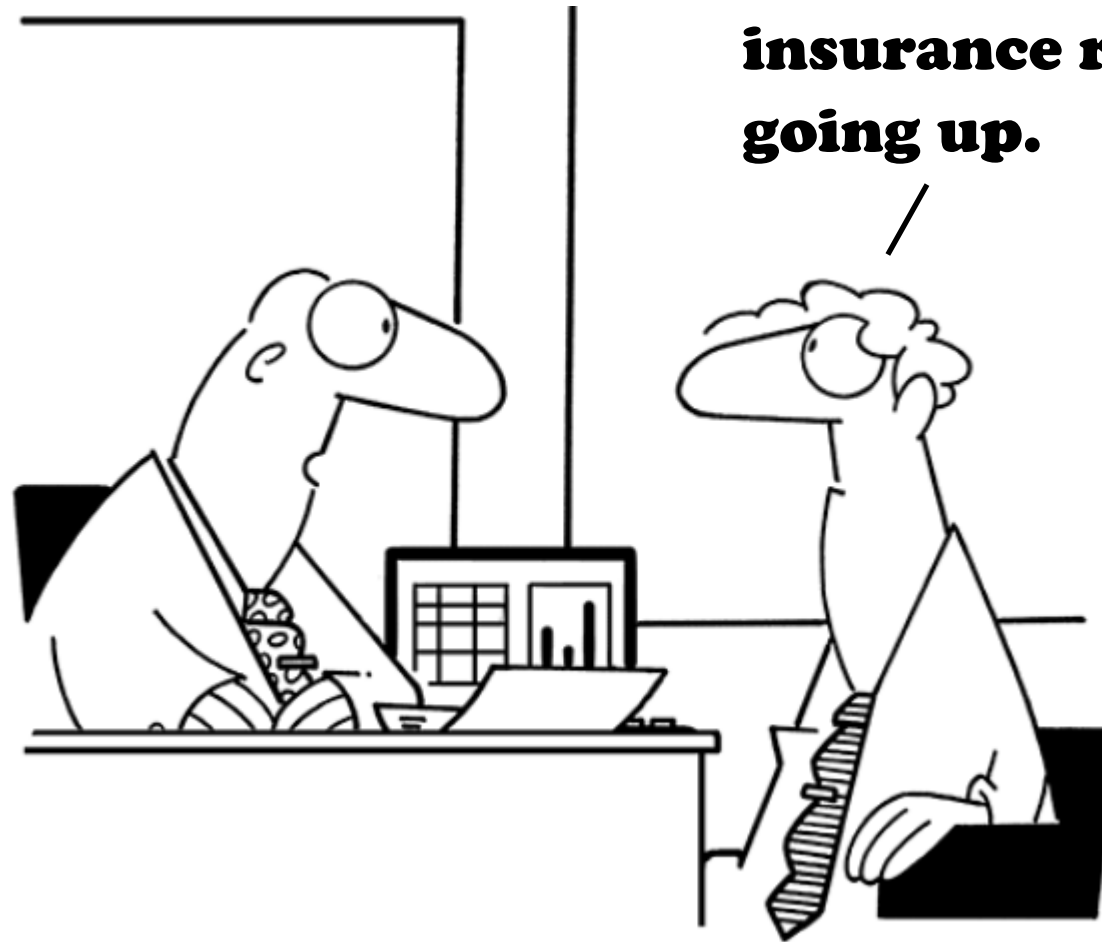
- Fully insured
- Fixed monthly premium rates
- Experience rating affects subsequent year rates
- Available data varies by size and carrier
- No current year adjustment for positive or negative experience

- Fully insured
- Fixed monthly premium rates
- Experience rating affects subsequent year rates
- Full monthly claims data
- 50% of positive experience shared back after end of plan year

- Fully insured
- Fixed costs paid monthly
- Pay actual claims experience up to monthly cap
- Claim costs over cap are reimbursed
- Real time cash flow advantage from lower claims

- Self Insured
- Fixed costs paid monthly
- Pay actual claims experience
- Stop loss insurance protects against high cost claims
- Real time cash flow advantage from lower claims

IS THIS YOUR CURRENT COST CUTTING STRATEGY?

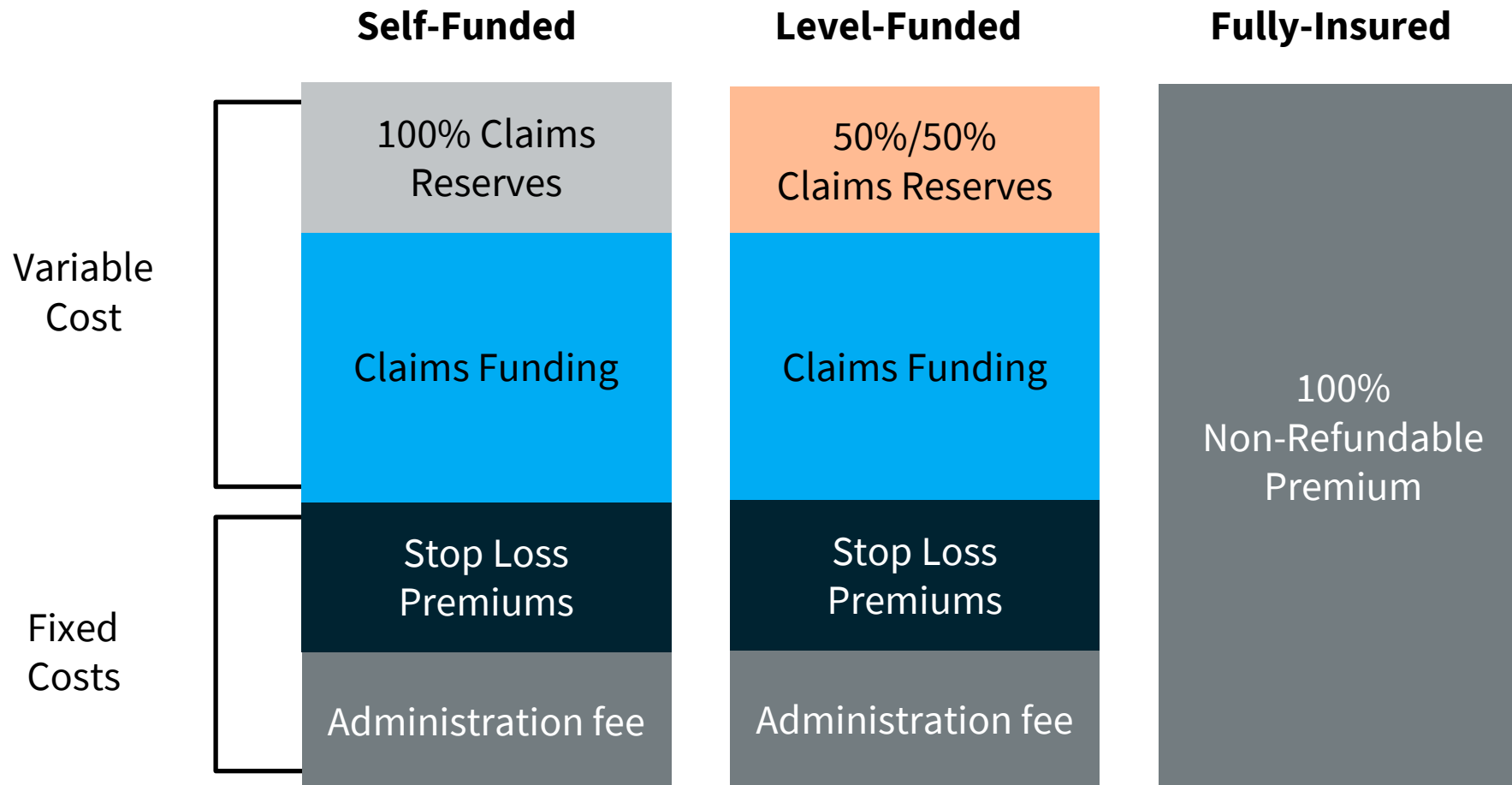


**"I'd like to buy
insurance to stop my
insurance rates from
going up."**



SELF-FUNDING OVERVIEW

Self-Funded, Level Funded, and Fully Insured Fees



THE POSITIVES OF SELF-FUNDING

5-7% Savings



- Tax Savings: Avoid state tax of 2.5% and some ACA fees
- Admin Savings: Normally about 2.0% in savings
- Flexibility & Efficiency: Less regulation is worth 1.5% - 3.0% Savings

PROS AND CONS

Pros

- Cash Flow
- Unbundled Vendors
- Ownership
- Flexibility
- Risk/Reward
- 3-5% Savings

Cons

- Cash Flow
- Unbundled Vendors
- Politics
- HR Work
- Unpredictability

Unique for Tribes

- CHEF
- MLR
- 340B Pricing
- Sponsorship

Stop Loss

Stop Loss insurance protects groups against catastrophic or unpredictable losses.

- It is purchased by employers who have decided to self-fund.
- The Stop Loss carrier takes on liability for claims that exceed certain limits.
- There are two types of Stop Loss Insurance:

Individual



Protects against any individual above tolerable risk

Aggregate

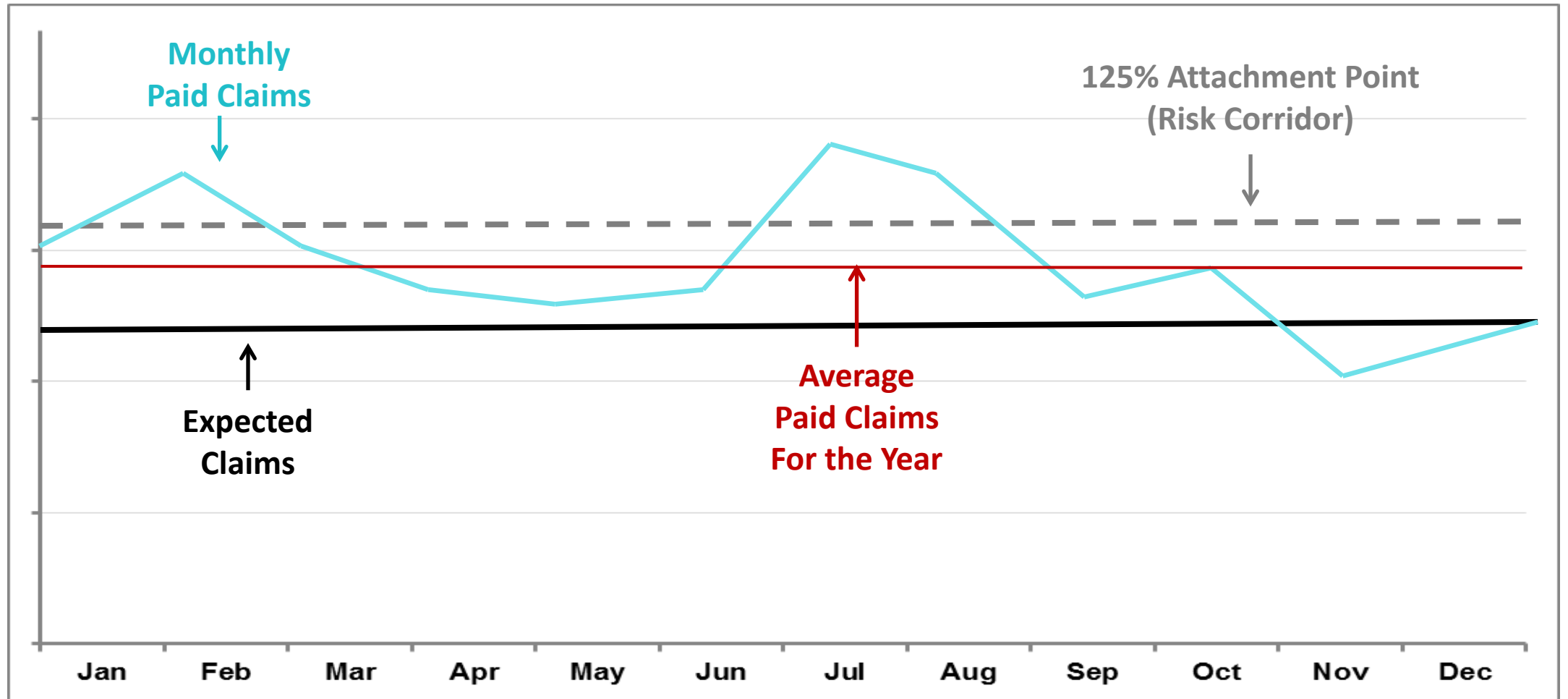


Protects the entire plan against unexpected utilization

PLAN COSTS: RUN-IN AND RUN-OUT



RISK CORRIDOR



MAXIMIZING YOUR SELF FUNDED PLAN

Stop-Loss

Rx Management

Virtual Care

Network Navigation

Health Management

Engagement Levers

STOP LOSS CONTRACT SOLUTIONS

Stop Loss Refunding

- Employers “WIN” with good performance
- Refunds worth up to 15%-20% of premium

Key Features

- 2nd year Rate Cap guarantee
- No New Lasers Included
- Funding for Analytic Tool

Possible Carrier Partners



CAPTIVE AS AN OPTION

Breaks typical insurance product into 2 pieces:

1. Benefits

- Each coalition participant
- Can have their own plan design
- Selects its own TPA and network

2. Risk Financing

- Each coalition participant retains a small, self-funded layer
- Mezzanine layer of risk shared
- Catastrophic claims transferred to a stop-loss insurance carrier



RX MANAGEMENT



CHRONIC DISEASE MANAGEMENT VIA RX

Optimized Medication Therapy is Critical

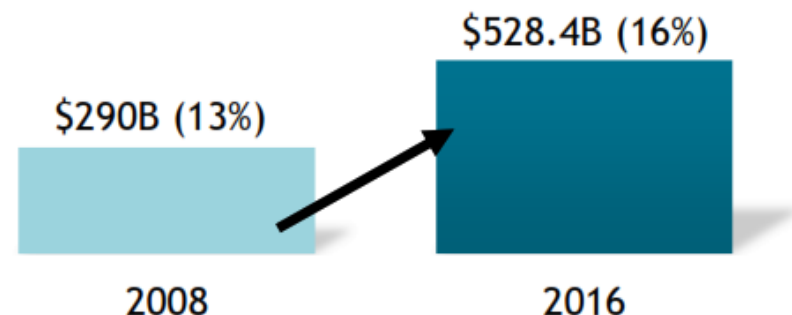
- Chronic conditions are primarily managed with medications, yet 16% (\$528.4B) of the US health expenditure is driven by non-optimized medication use.²
- “Non-optimized medication therapy” encompasses:
 - Medication nonadherence
 - Inappropriate prescriptions (including incorrect dosage)
 - Medications that cause secondary health issues.
- Healthcare cost around chronic conditions will continue to grow without appropriate measures.

¹<https://journals.sagepub.com/doi/pdf/10.1177/1060028018765159>

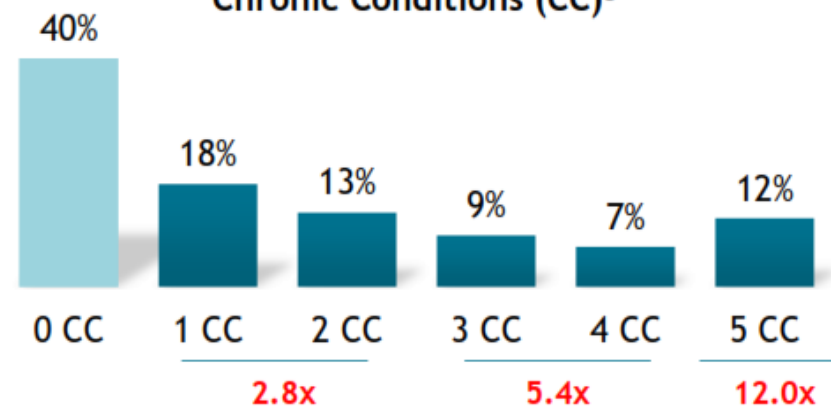
²Annals of Pharmacotherapy, 2018, <https://doi.org/10.1177/1060028018765159>

³Multiple Chronic Conditions Chartbook, 2014

Avoidable US Healthcare Spend



of U.S. Adults with Chronic Conditions (CC)³



Cost Multiplier

Average Spend More than Member with no Chronic Conditions

FORMULARY MANAGEMENT

Two wasteful drugs for a group with a large national PBM. The drugs were used off label costing the plan tens of thousands in wasteful annual spend:

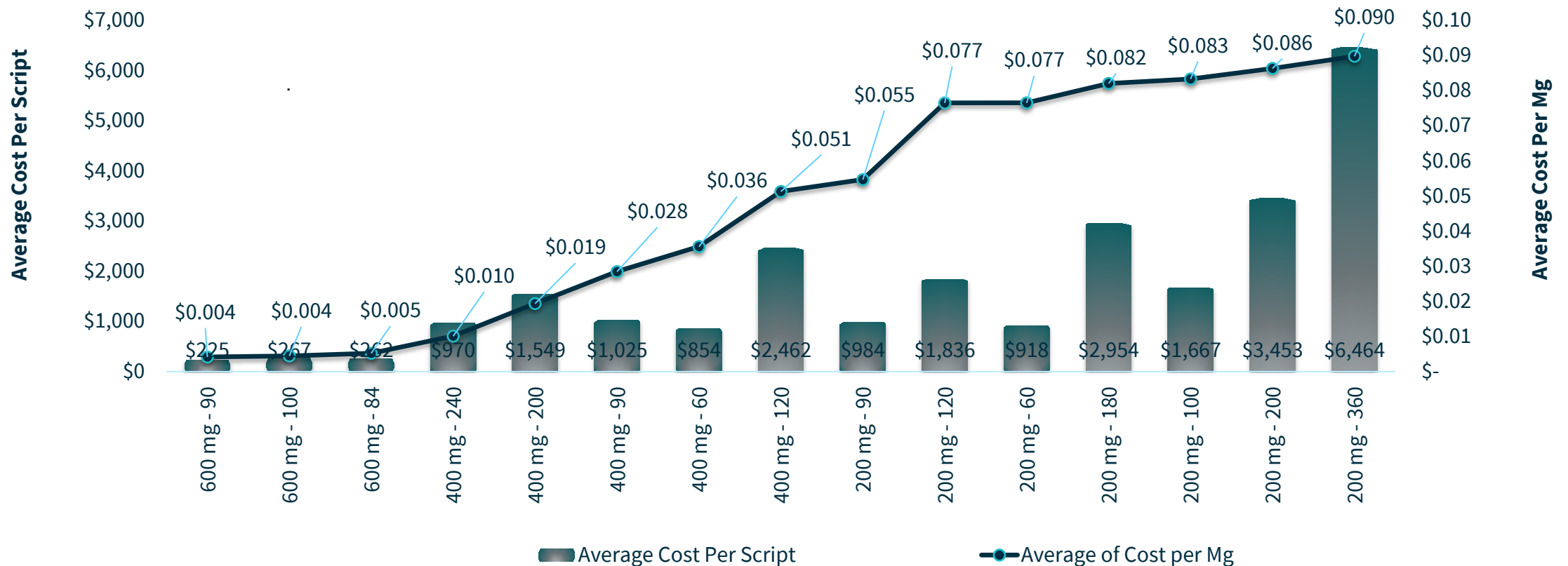
- Niacin, the plan is paying over \$3,000 dollars for “lipotropic” vitamin B3. This is not being dispensed as written and should not be covered. Especially considering Vitamin B3 is \$5.74 at your local Walmart.
- The second is Glycopyrrolate 1.5 mg (used to used to treat peptic ulcers in adults and chronic severe drooling). This one is interesting because the pill comes in three options: 1 mg, 1.5 mg, and 2 mg. The cost for the 1 mg pill is \$6.78, the cost for the 1.5 mg pill is over \$6,000, and the 2 mg pill is \$9.78. This again is not being dispensed as written and all of these drugs were being distributed by the same pharmacy

2021 RESULTS - DRUG WATCH DOG REPORT FINDINGS

SAME DRUG PRICE DIFFERENCES

2,000% price discrepancy for the same drug Fenoprofen (nonsteroidal anti-inflammatory drug (NSAID) used to treat mild to moderate pain) of different strength - 600 mg vs 200 mg

Fenoprofen - Cost for 30 Day Supply by Drug Strength and Metric Quantity





VIRTUAL CARE



COMMUNICATION

Why is this important?



“We can contain health insurance costs if you’re willing to let your coworkers diagnose you with information they find on the Internet.”

VALUE PROP

Cost savings

- Virtual = \$25-\$50, In-Person = \$100-\$200
- Less time away from work

Growing vendor options



Maximize Virtual impact

- Change copay structure

98POINT6 STRATEGY



Current Office Visit Use

- Members Average - 3 office visits each year (2,176 visits)
- \$30 copay applies to virtual and in person Dr. visits
- Average allowed cost per office visit is \$120. Plan pays \$90
- Average allowed cost per **98point6** session is \$39. Plan pays \$9

Office Visit Steerage	Steered Visits	Savings at Various 98point6 Copay Levels			
		\$30 Copay	\$20 Copay	\$10 Copay	No Copay
0%	0	\$0	\$0	\$0	\$0
5%	109	\$8,809	\$7,721	\$6,634	\$5,546
10%	218	\$17,618	\$15,443	\$13,268	\$11,093
15%	326	\$26,426	\$23,164	\$19,901	\$16,639
20%	435	\$35,235	\$30,885	\$26,535	\$22,185
25%	544	\$44,044	\$38,606	\$33,169	\$27,731



Network Navigation



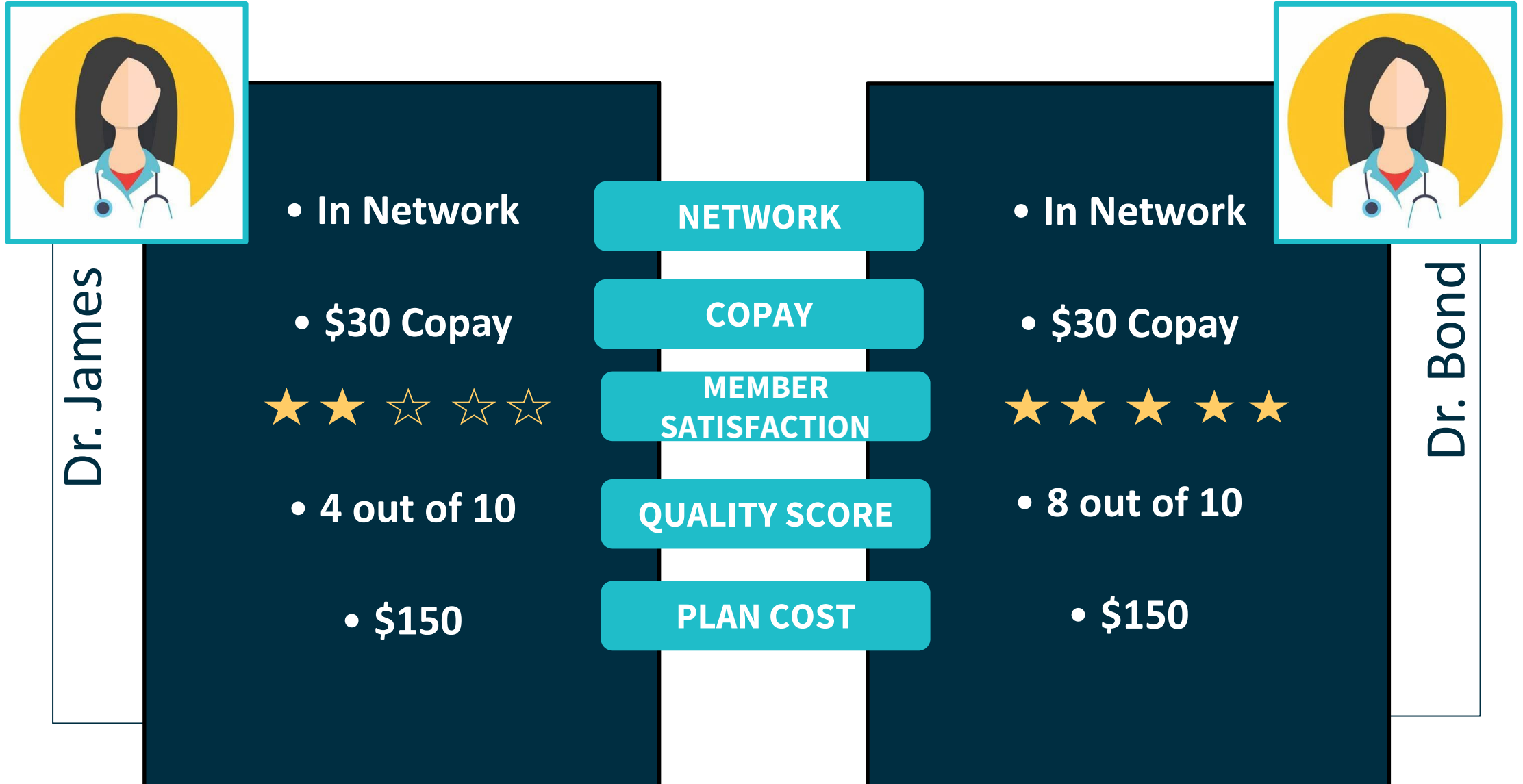
NETWORK NAVIGATION

Insurers Conflict of Interest

- Must provide wide network
- Relationship over Steerage
- Slow to **“TRUE”** Transparency



NOT ALL DOCTORS ARE THE SAME!



NAVIGATORS

Lower costs. Happier employees. A better way to do healthcare.

- Make better health care decisions with education selecting the right benefit plan.
- Get expert assistance in making informed care choices and
- Take advantage of rewards for sensible financial decisions

Vendors





ENGAGEMENT LEVERS



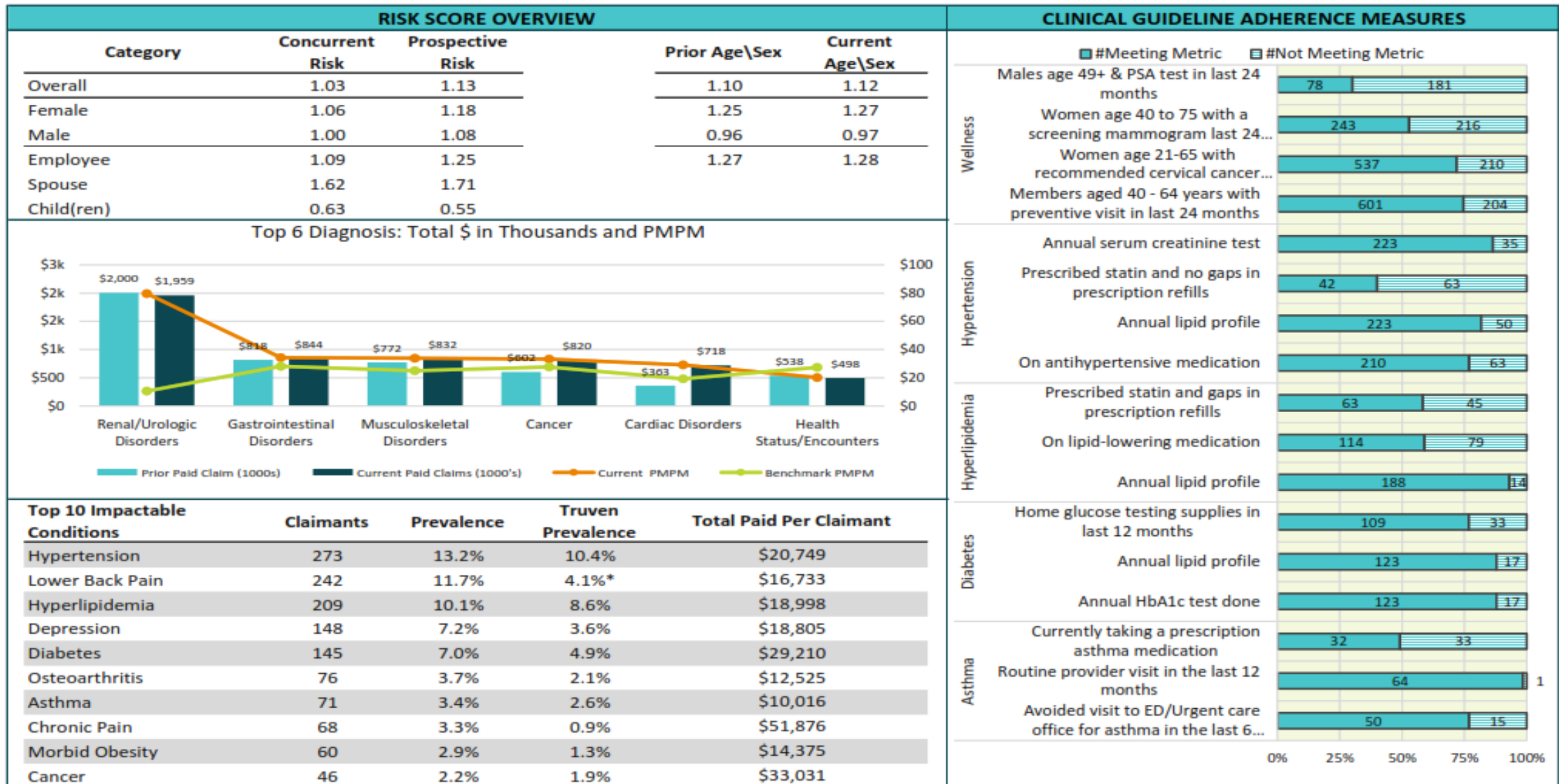
MORE BANG FOR THE BUCK

1. **Wellness/Health Management pays better**

- Self-funded clients reap 100% of the savings
- You can create programs specific to your needs



SAMPLE - CLINICAL ADHERANCE



*Prevalence value taken from Alliant book of business

Money talks and you know what walks!!

- Create ROI through M&I
- Motivation: Create financial rewards and/or penalties
- Information: Give your team the resources they need
- Best Practices
 - No cost solution is in premium contributions
 - \$50-100 a year
 - Raffle prizes vs small stuff
 - No cost alternatives: Parking spots, internal award, recognition

MONEY TALKS AND YOU KNOW WHAT WALKS!!

1. Create ROI through M&I

- Motivation: Create Financial Rewards and/or Penalties
- Information: Give your Team the Resources they NEED

2. Best Practices

- No Cost Solution is in Premium Contributions
- \$50-\$100 a year
- Raffle Prizes vs Small Stuff
- No Cost alternatives:
 - Parking spots, Internal Award, Recognition



VENDOR MARKET

Health Plan Management & Member Support

Mental Health



Condition Management



Centers of Excellence / Surgical Bundles



Narrow Network



Total Rewards



2nd Opinion



Virtual Care



Family Planning/Pregnancy



Population Health & Well-Being



Concierge/Navigation / Advocacy / Transparency

