

A self-funding option that gives you more control over your health care costs

Kaiser Permanente Level Funded Program¹



For businesses with
20 to 100 employees²



An option that minimizes your risk when claims are high and provides an opportunity to get money back if claims are better than expected

- You pay a set, monthly amount based on the number of enrolled employees. Your payment includes all covered claims incurred during the contract year, individual and aggregate stop loss insurance that limits your risk exposure, and administrative fees.
- Your employees use their health care benefits the same way they would under a fully funded plan.
- If your claims costs are lower than anticipated at the end of the year, you receive a portion of the surplus as a credit toward your next year's health plan costs.³
- If your claims costs are more than what you have paid, stop loss coverage will apply and you will not owe more.
- Monthly reporting provides you with visibility into how your claims are tracking.
- A Terminal Reserve is created from the amount you contribute to the Claims Fund to cover run-out claims in the event of plan termination.
- With self-funding, state taxes associated with fully insured plans may be avoided.



**Cost Control:
The advantage
of our integrated care**

Kaiser Permanente's integrated model, with a focus on healthy behaviors and preventive care, makes it a great choice for helping keep employees healthy, which can also help manage costs. Here are some of the advantages Kaiser Permanente offers:

- **Connected care** means our providers and health plans work together to close care gaps and help keep health costs down.
- Our extensive offering of **no- and low-cost virtual care options** make it easy for employees to access convenient care with fewer higher-cost claims.
- We actively encourage individuals to stay on top of their **preventive care** and to help detect health problems early, when they are easier to treat.
- Plans include an **employee wellness program** that rewards employees for keeping up with screenings and taking healthy actions.⁴
- Employees can receive **cost-effective urgent care at home** through DispatchHealth.⁵



How a Kaiser Permanente Level Funded program works

Level Funded Settlement Examples	Plan Sponsor experience	
	LOW claims cost	HIGH claims cost
Total Claims Funding Amount Invoiced and Collected [A]	\$110,000	\$110,000
Total Annual Paid Claims (includes 3-months run-out) [B]	\$75,000	\$275,000
Difference between Total Claims Funding Amount Invoiced and Collected and Total Annual Paid Claims [A-B]	\$35,000	(\$165,000)
Individual Stop Loss Reimbursement – Claims over \$30,000 [C]	\$5,000	\$95,000
Surplus: Difference between Total Claims Funding Amount Collected and Total Annual Plan Sponsor Claims after including Individual Stop Loss [A-B+C]	\$40,000	(\$70,000)*
50% of Surplus applied as a credit toward next year's claims costs	\$20,000	\$0

*Covered by Aggregate Stop Loss



To learn more about the Kaiser Permanente Level Funded program

and to see how your business could benefit from this funding option, contact your broker or call Kaiser Permanente at **1-866-331-2091**.

A variety of plans with a range of benefits and deductibles to meet your employee needs



- Pre-designed EPO, HDHP, POS, PPO and Plus plans, with some flexibility for customization
- Choose up to 3 plans within our service area; add up to 2 additional plans if you have out-of-area employees
- Integrated medical/pharmacy benefit included. Pharmacy cannot be carved out

1. Kaiser Permanente Level Funded is not an insurance product, but a set of administrative services provided by Kaiser Permanente Insurance Company (KPIC) under a contract between KPIC and the Plan Sponsor (Employer). KPIC will act as the self-funded plan administrator.
2. You must have 20 enrolled employees to participate in the Kaiser Permanente Level Funded program.
3. Surplus credit is only available if the plan sponsor renews its administrative services contract with KPIC. There is no guarantee of plan performance or return of surplus.
4. Not included in PPO plans.
5. Available in Denver/Boulder and Longmont.