



Paradigm Re Agenda

May 24-26, 2023

The Phoenician
6000 East Camelback Road
Scottsdale, Arizona

aspire
20
23

Welcome to Scottsdale!

We're Excited to See You.



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About ParetoHealth



It's time to think about the future.

This meeting is more than just another business conference, innovation summit, or owners' meeting. It is an opportunity to bring together the strategic leaders and stakeholders in a key part of your business. From owners, HR, and finance, we are anticipating exciting developments and a clear direction. Your benefits consultants and our ParetoHealth team are ready to lend their experience and expertise. Our cost-containment partners are here to share how they can support and strengthen your plans.

While we plan, we are all thinking about how to future-proof your health benefits plan – to make sure that it continues to provide everything you need for many years to come.

This means leadership, planning, and action. It means that we need to continue our collective pursuit of excellence: attracting new, healthy groups, changing the thinking in our communities about healthcare, and using our cutting-edge cost management solutions to their full extent. As always, the greatest innovation in healthcare financing is you. Now is the time to do more, to do better than we did yesterday.

As we take the next few days to share our insights and plans, let's keep thinking far beyond the next twelve months.

Welcome to "Paradigm Re's Aspire 2023."

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Meet your Captive Board – Paradigm Re



Neal Daugherty

Arkana Labs
Little Rock, Arkansas
Captive Member since 2021
Term expires in 2024



G. Seth Denson

GDP Advisors
Pareto Appointee



Linda Hart

Scully Company
Jenkintown, Pennsylvania
Captive Member since 2018
Term expires in 2023



John Naughton

Pareto Captive of Tennessee
Pareto Appointee



Stacey Remillard

Northwestern Counseling
& Support Services
St. Albans, Vermont
Captive Member since 2016
Term expires in 2023



 **New Board Member**

Angela Stevenson

Hand Surgery Associates of
Indiana, Inc.
Indianapolis, Indiana
Captive Member since 2018
Term Expires in 2025



Brent Sweeney

Custom Concrete Company, Inc.
Westfield, Indiana
Captive Member since 2021
Term expires in 2024



Bruce Tap

Fastco Industries
Grand Rapids, Michigan
Captive Member since 2017
Term expires in 2024

**Interested in serving on
the board in the future?
Our election season
kicks off in November –
watch for emails calling
for candidates!**

But a Board isn't the only way to be involved!

Have you heard of our Member Advisory Committees? These committees meet virtually and provide feedback and input to ParetoHealth in three areas: Cost Management, Communications, and Member Experience. If you're interested in serving, please email:

Tammy Sedey
sedey@paretohealth.com

Meet Your ParetoHealth Speakers



Andrew Cavenagh

Chief Executive Officer
cavenagh@paretohealth.com



Andrew Clayton

President
clayton@paretohealth.com



Maureen Becker

Chief People Officer
becker@paretohealth.com



Adam Booth

Vice President of Sales
booth@paretohealth.com



Sarah Crownshaw

Vice President of Account Management
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Stephen Hansen

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Michael Harmon

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Ashley Hull

Senior Vice President
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Jack Longstreth

Senior Vice President of Sales
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Kelly Marolf

Director, People Operations
kmarolf@paretohealth.com



Kristen McKenna

Senior Vice President
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Spencer Smith

SVP of Consultant Development
smith@paretohealth.com



Catharine Thurston

Senior Vice President
thurston@paretohealth.com



Mike Wright

Chief Sales Officer
wright@paretohealth.com

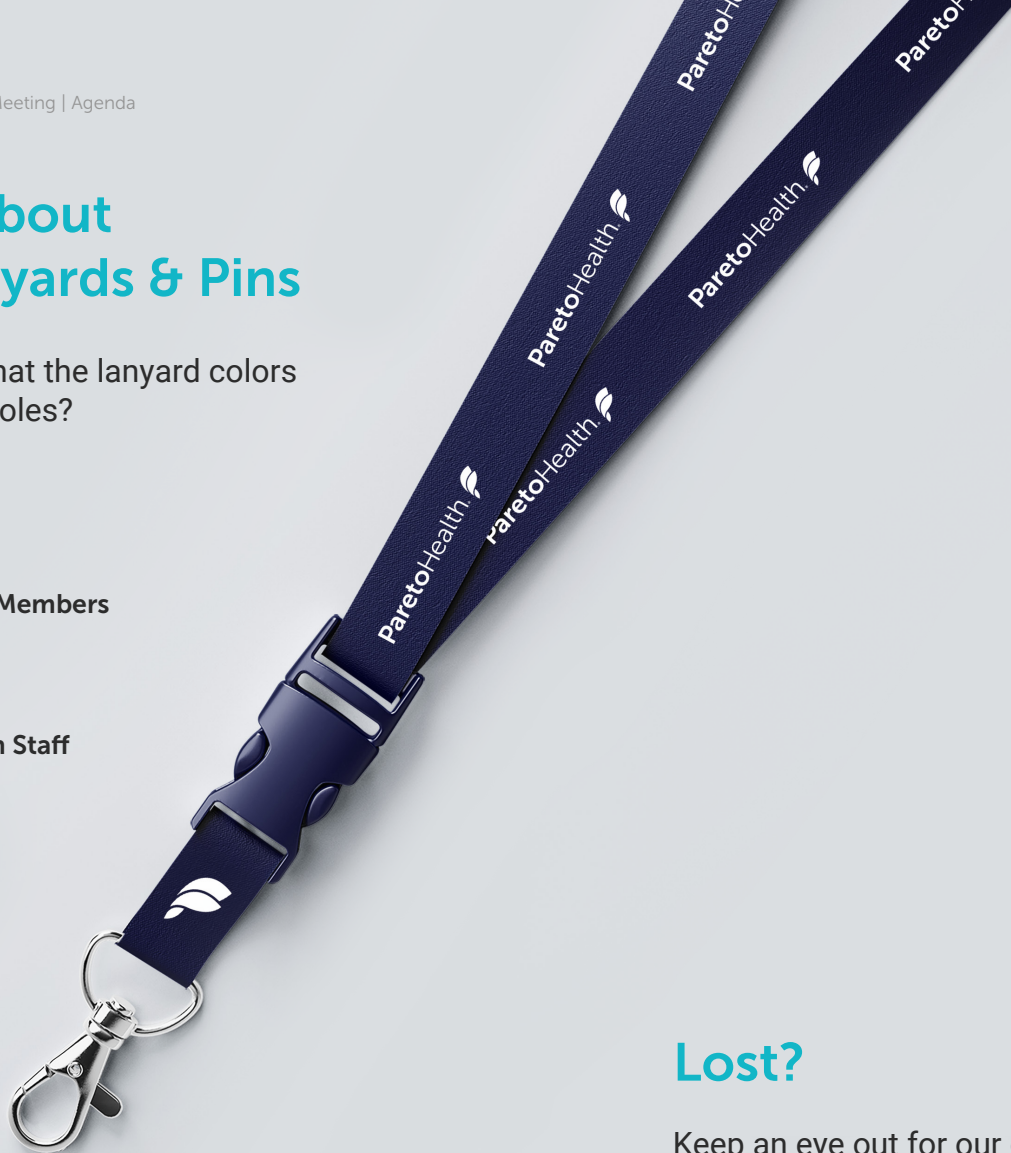
LEARN MORE
ABOUT OUR TEAM



A Note about Your Lanyards & Pins

Did you know that the lanyard colors correspond to roles?

- Members
- Prospective Members
- Consultants
- ParetoHealth Staff
- Sponsors



Lost?

Keep an eye out for our guides who will be stationed at various locations and holding paddle signs. They're available to assist with questions and directions.



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GET MEETING MATERIALS



We hope you're enjoying the meeting pins! Remember to bring them to future meetings to adorn your lanyard and we'll offer the opportunity to earn new pins. They're badges of merit and great conversation starters. Here's a key to the pins offered at this Meeting:

Members' Meeting



Attended the Members' Meeting in Scottsdale



ParetoHealth Member

Membership



Founding Member of the Captive



Captive Board Member



Member Advisory Committee Member



ParetoHealth Champions



First Year in the Captive



Five Years in the Captive

Consultants



ParetoHealth Inner Circle Consultant



ParetoHealth Apex Consultant



ParetoHealth Core Consultant



CAPSULE – Consultant App

Sponsors



Sun Life



Meritain Health



SmithRx



Magellan Rx Management



Allied



Health Plans, Inc.



CancerCARE



KISxCard

Special Pins



Cut a Rug – top dancer at the Members' Gala



Vilfredo Award Winner



New Members’ Meeting Features!

ParetoHealth Passports & Pop-Up Shop

Check the back of your nametag for a list of fun opportunities to earn “points” on your ParetoHealth passport. As you earn points, we’ll mark your passport to commemorate your achievement, then redeem your points for gifts at the ParetoHealth Pop-Up shop. Don’t need another sweatshirt? Turn in your points and we’ll make a charitable donation instead.

FOLLOW US



GET MEETING MATERIALS



Executive Headshots

Need an updated headshot? Follow us on LinkedIn, then swing by our Executive Headshot “photo booth” in the Hospitality Suite, and moments later you’ll receive your new pictures, compliments of ParetoHealth.

Wednesday	2pm – 4pm	Headshots
Thursday	7:30am – 8:30am	Headshots
	8:30am – 9:30am	General Session Shots
	10:30am – 12pm	Headshots
	12:30pm – 1:30pm	Headshots
	7:30pm – 8:30pm	Group Shots

Breakout Session Descriptions



80/20 with ParetoHealth Podcast

Join us for a live taping of the 80/20 with ParetoHealth podcast, hosted by Andrew Cavenagh and Andrew Clayton who will be joined by some special guests.



A TPA's Perspective to Optimizing Your Benefits with HPI

Health Plans, Inc. (HPI) is a "ParetoHealth preferred" TPA that participates in the ICM platform. Attend this session to learn more about their offering.



CancerCARE – The Complete Cancer Solution*

CancerCARE is among the programs that are part of ParetoHealth's Integrated Cost Management, offering Members the ability to control the high cost of cancer claims and facilitate better outcomes for patients.



Captive Financials*

This session provides an explanation of the captive financial structure and captive financial statements.



Critical HR Priorities for 2023 and Beyond

In this highly interactive session, we'll "crowdsource" and present ten emerging hot topics in HR and discuss steps you should take now to navigate these trends.



HR Roundtable: Action Planning

As a follow-up to the presentation "Critical HR Priorities for 2023 and Beyond," participants in this session will break into small group discussions and brainstorm action plans to address the emerging HR topics discussed in the earlier session.



Innovative Medical and Cost Management Solutions with Allied

Allied is a "ParetoHealth preferred" TPA that participates in the ICM platform. Attend this session to learn more about their offering.



Introduction to KISxCard*

The KISxCard program offers direct contracting, connecting plan members with healthcare providers for planned surgeries and imaging procedures, offering financial savings to employer and employee alike. Attend this session to learn more.



Introduction to Magellan Rx Management*

Magellan Rx Management is a pharmacy benefit manager (PBM) that is part of the Pareto Rx Consortium ("PRxC"). This session is for those looking to learn more about their offering.



Introduction to SmithRx*

SmithRx is a pharmacy benefit manager (PBM) that is part of the Pareto Rx Consortium ("PRxC"). Come to this session to learn more about their offering.



MCCI and Playbooks*

During this session, we will highlight one of the core features of our ICM platform: the Playbook. Participants will get an inside look into how ParetoHealth leverages actionable data to deliver cost saving opportunities to Consultants and Members. We will also discuss the latest on the Member Cost Containment Index survey and results. Scan the Meeting Materials QR code on page 8 to access reports for this session.

*Denotes a session that may be particularly helpful for first-time Meeting attendees.

**Magellan Rx Management for Existing Clients**

Current Magellan Rx clients, attend this session to touch base with Magellan Rx! Learn about their latest offerings and service updates.

**Member to Member: Conquering Employee Communication & Engagement**

This room is set aside for Members who wish to meet in small groups to discuss employee communication and engagement. Please note: this is not a formal, moderated session but rather an opportunity for informal discussion. Feel free to circulate among tables and/or leave to attend a different session if the discussion does not meet with your expectations.

**Member to Member: Grappling with Hot Topics in Benefits**

This room is set aside for Members who wish to meet in small groups to discuss current hot topics in benefits such as generic drug shortages, health benefits for transgender employees, and weight loss drugs – among others. Please note: this is not a formal, moderated session but rather an opportunity for informal discussion. Feel free to circulate among tables and/or leave to attend a different session if the discussion does not meet with your expectations.

**Member to Member: HR Chat by Industry**

This room is set aside for Members who wish to meet in small groups to discuss HR topics by industry. Tables will be dedicated to blue and white-collar industries. Please note: this is not a formal, moderated session but rather an opportunity for informal discussion. Feel free to circulate among tables and/or leave to attend a different session if the discussion does not meet with your expectations.

**Meritain Health and the Meritain Pharmacy Solutions**

Meritain Health is a preferred TPA within ParetoHealth's ICM platform. Their integrated PBM solution, Meritain Pharmacy Solutions, is part of PRxC. Come to this session to learn more about their offering.

**Pharmacy 101***

Does pharmacy leave you flummoxed? Join this session for a crash course in navigating your pharmaceutical benefits and learn best practices to contain your pharmacy costs.

**Practical Experiences with Cost Management***

A panel discussion hosted by Members of the Cost Containment Member Advisory Committee (MAC). Hear their experiences with various cost management programs, get practical advice and insight on how to successfully implement programs and initiatives, and an opportunity to ask questions on the topic.

**Renewal Primer***

A primer on all aspects of renewals – from the calendar and logistics to how renewals are calculated.

**Roundtable Discussion for CFOs and Finance Executives**

Collaboration is the heart of the Members' Meeting experience and this session features the opportunity for roundtable discussion with your Finance Executive peers.

**SmithRx for Existing Clients**

Current SmithRx clients, attend this session to touch base with SmithRx! Learn about their latest offerings and service updates.

*Denotes a session that may be particularly helpful for first-time Meeting attendees.

Meeting Agenda

Wednesday, May 24

8am – 5pm

Registration Open — The Phoenician Grand Ballroom Foyer

Stop by the registration desk – pick up your nametag and materials and get a warm welcome from your friends at ParetoHealth.

Noon – 1pm

Early Arrivals Lunch *sponsored by Magellan Rx* — The Phoenician Patio and East Lawn (Inclement weather location: Camelback Ballroom Salon K-L)

In town early? Join us for lunch!

1pm – 2:30pm

First Timers' Meeting — The Phoenician Grand Ballroom

This session will present a review of the basics – from the mechanics of the captive program, to financial structure, cost-management for starters, and more. This session is strongly recommended for those attending their first Members' Meeting, as well as seasoned captive Members and new board members looking for a refresher on the basics. It's great (and necessary) foundation for the rest of the Meeting.

1pm – 3:45pm

Breakout Sessions

Please see page 10 for descriptions of sessions. Choose the sessions of interest to you.

1pm – 1:45pm

Breakout Session 1

- SmithRx for Existing Clients – The Estrella Theatre
- Introduction to Magellan Rx Management – Camelback Ballroom Salon H-I-J
- A TPA's Perspective to Optimizing Your Benefits with HPI – Camelback Ballroom Salon M-N

2pm – 2:45pm

Breakout Session 2

- Renewal Primer – The Estrella Theatre
- CancerCARE – The Complete Cancer Solution – Camelback Ballroom Salon H-I-J
- Meritain Health and the Meritain Pharmacy Solutions – Camelback Ballroom Salon M-N

3pm – 3:45pm

Breakout Session 3

- Captive Financials – The Phoenician Grand Ballroom
- MCCI and Playbooks – The Estrella Theatre
- Introduction to KISxCard – Camelback Ballroom Salon H-I-J
- Innovative Medical and Cost Management Solutions with Allied – Camelback Ballroom Salon M-N

2:30pm – 3:15pm

Ice Cream Social – New and Seasoned Members — East Lawn (Inclement weather location: The Phoenician Ballroom East Foyer)

This ice cream social is an opportunity to meet and mingle. You'll select an ice cream cup based on the number of times you attended a Members' Meeting in the past – so you can easily identify seasoned pros who can offer advice and newbies who could use a friendly face and some words of wisdom.

*Alternative venue due to inclement weather

4pm – 6pm

Welcome Reception *sponsored by SmithRx* — The Phoenician Patio and East Lawn

The Members' Meeting officially kicks off with a Welcome Reception sponsored by SmithRx. Join us for a cocktail before heading out to dinner. (Note: many consultants host dinners or other activities on this first evening as an opportunity for their Members to meet and mingle. Please check with your consultant regarding their plans.)

Thursday, May 25

7am – 6pm

Registration Open — The Phoenician Grand Ballroom Foyer

6:15am – 7:15am

Morning Workouts

Both exercise options have limited spots available and will be filled based on arrival time.

- **Aqua Yoga — East Piano Pool**
Join us for this yoga class in the pool, using the support of the water to help further strengthen and stretch.
- **Boot Camp — Geode Statue (In front of the Spa)**
Jump start your morning with this high intensity interval training that will work out your entire body.

7:45am – 8:30am

Breakfast *sponsored by KISxCard* — The Phoenician Patio and East Lawn (Inclement weather location: Camelback Ballroom Salon K-L)

8:30am – 10am

General Session — The Phoenician Grand Ballroom

10:15am – 1pm

Breakout Sessions

Please see page 10 for descriptions of sessions. Choose the sessions of interest to you. Many sessions are repeated to allow multiple opportunities to catch the session.

10:15am – 11am

Breakout Session 1

- **Critical HR Priorities for 2023 and Beyond** — The Phoenician Grand Ballroom
- **MCCI and Playbooks** — The Estrella Theatre
- **CancerCARE – The Complete Cancer Solution** — Camelback Ballroom Salon H-I-J
- **Renewal Primer** — Camelback Ballroom Salon M-N
- **Member to Member: Grappling with Hot Topics in Benefits** — Camelback Ballroom Salon K-L
- **Innovative Medical and Cost Management Solutions with Allied** — Eagle Room, Third Floor/Lobby Level
- **SmithRx for Existing Clients** — Falcon Room, Third Floor/Lobby Level

11:15am – Noon

Breakout Session 2

- **Pharmacy 101** — The Phoenician Grand Ballroom
- **Captive Financials** — The Estrella Theatre
- **Introduction to KISxCard** — Camelback Ballroom Salon H-I-J

- “80/20 with ParetoHealth” Podcast – Camelback Ballroom Salon M-N
- HR Roundtable: Action Planning – Camelback Ballroom Salon K-L
- Meritain Health and the Meritain Pharmacy Solutions – Eagle Room, Third Floor/Lobby Level
- Magellan Rx Management for Existing Clients – Falcon Room, Third Floor/Lobby Level

12:15pm – 1pm

Breakout Session 3

- Practical Experiences with Cost Management – The Phoenician Grand Ballroom
- Consultant Meeting – The Estrella Theatre
- Introduction to Magellan Rx Management – Camelback Ballroom Salon H-I-J
- Introduction to SmithRx – Camelback Ballroom Salon M-N
- Member to Member: HR Chat by Industry – Camelback Ballroom Salon K-L
- A TPA’s Perspective to Optimizing Your Benefits with HPI – Falcon Room, Third Floor/Lobby Level

1pm – 2pm

Lunch — East Lawn

2pm – 5pm

Mingle and Relax: Pool Activities *sponsored by Magellan Rx, Allied and HPI* — Main Pool

If you need a break from meetings, gather on the reserved pool deck with your fellow captive Members for a memorable afternoon. Towels, chairs, sunscreen, and all the trimmings for a great afternoon will be provided. Refreshments and snacks will be offered. Stop by two cabanas dedicated to cost-management conversations with the ParetoHealth team and sponsors. There are many opportunities to earn points in your ParetoHealth Passport!

2pm – 2:45pm

- **Renewal Primer** – The Phoenician Grand Ballroom

- **Introduction to KISxCard** — The Estrella Theatre

3pm – 3:45pm

- **Captive Financials** — The Phoenician Grand Ballroom

- **CancerCARE – The Complete Cancer Solution** — The Estrella Theatre

7pm – 10pm

Members’ Gala *sponsored by SmithRx* — Jokake Inn

Enjoy dinner, music, and dancing. (Remember, contrary to its name, the Members’ Gala is a casual affair.) The Jokake Inn is on the campus of the resort and just a short walk from the main entrance of the hotel, but golf carts will be available for those who prefer to ride.

Friday, May 26

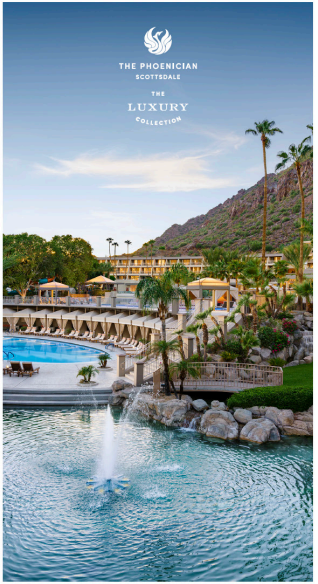
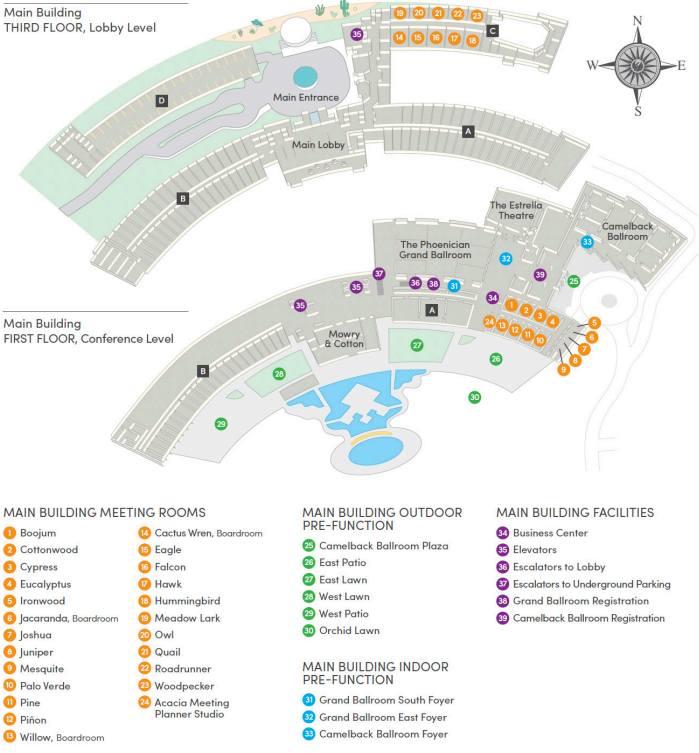
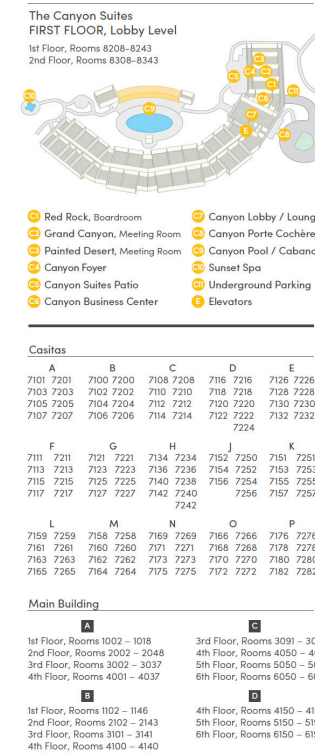
6:30am – 7:30am

Morning Workout: Outdoor Flow Yoga — West Lawn

This vinyasa flow class is held outdoors in a soothing setting. Meet at the spa and we’ll walk over to the Orchid Lawn. Note that class size is limited and will be “first-come, first-served.”

7am – 10am	Registration Open — The Phoenician Grand Ballroom Foyer
7:45am – 8:30am	<ul style="list-style-type: none">• Breakfast <i>sponsored by CancerCARE</i> — The Phoenician Patio and East Lawn (Inclement weather location: Camelback Ballroom Salon K-L)• Leadership Breakfast — Camelback Ballroom Salon M
8:45am – 10am	<ul style="list-style-type: none">• Paradigm Re Members' Meeting — The Phoenician Grand Ballroom• Prospective Members' Meeting — Camelback Ballroom Salon H-I-J
10am	Departure

Venue Map



RESORT MAP

THE PHOENICIAN
A LUXURY COLLECTION RESORT, SCOTTSDALE
6000 EAST CAMELBACK ROAD, SCOTTSDALE, AZ 85251 USA
T 480 941 8200 - F 480 947 4311
THEPHOENICIAN.COM

Glossary of Terms

80/20 with ParetoHealth

The ParetoHealth podcast, hosted by Andrew Cavenagh and Andrew Clayton. We're gearing up to launch Season 2, but catch up on past episodes here: paretohealth.com/podcast.

Aggregate Deductible (Aggregate Attachment Point)

The employer's maximum liability on the accumulation of small claims below their specific deductible. After a group "hits" the aggregate limit, the stop loss carrier steps in and pays the remaining claims. The aggregate limit is often 125% of expected claims which are calculated based on the demographics of the group.

Aggregate Factor

A dollar figure that is multiplied by the number of covered persons each month during the contract period to calculate the annual aggregate deductible.

Aggregate Stop-Loss

Coverage that protects an employer against the accumulation of total claims that exceed a stated level. This protects the employer from an abnormally large number of small claims (compare to Specific Stop-Loss below).

Allied Benefit Systems

A "ParetoHealth preferred" TPA that participates in the ICM platform.

Apex/Core Status

Consultants status based on a combination of metrics related to growth and retention of clients with ParetoHealth.

Broker of Record ("BOR")

The licensed agent (broker) engaged by an employer to manage their benefits plan.

CancerCARE

ParetoHealth oncology partner program that offers personalized care, national resources, and expert medical teams to optimize treatment for cancer patients.

Capital Investment

Financial investment contributed by each Member of the captive program in exchange for an equity share in the captive.

Captive Board

The Captive Management Committee, consisting of five elected captive Members and two ParetoHealth appointees.

Captive Member ("Member")

An employer group that joins the captive program.

CAR-T

A cell-based gene therapy where cells that are genetically engineered to bind to cancer cells and kill them. The cost of CAR-T treatment can range from \$350K to more than \$2M.

Care Coordination

The process of streamlining, synchronizing, and organizing patient care by sharing information with all participants and providers involved in a patient's care with the aim of making it more effective.

Carrier

The insurance company working with a self-funded plan that assumes the risk and provides coverage and service in accordance with the stop-loss policy.

Carve Out

When a self-funded group transfers financial obligations for a specific healthcare condition – such as organ transplants or premature births – to a third party.

Case Management

Collaborative process resulting in a recommended treatment for a patient to optimize outcome and cost efficiency.

Claims Experience

Past loss experience that factors into calculation of future insurance premiums.

Claims Loss Triangles

Line graphs used to track captive performance by program year. These line graphs show the accumulation of stop-loss claims over the course of the program year.

COBRA

Consolidated Omnibus Budget Reconciliation Act mandates the offering of benefits to former employees.

Compound Annual Growth Rate ("CAGR")

Average rate of revenue growth between two years.

Consultant

An insurance professional who has placed business with ParetoHealth, differentiating themselves from "brokers" by offering their clients a highly strategic and long-term approach to managing and controlling the cost of employee health benefits.

The Contrarian

The ParetoHealth blog, offering fresh perspectives and insights on health insurance and self-funding. Read past posts and subscribe by visiting paretohealth.com/blog.

Cost Containment

Efforts designed to reduce or eliminate unnecessary or preventable charges to the plan.

Data Analytics

The process of compiling and analyzing data to glean actionable insights and drive decisions.

Distribution

Funds that are dispersed to Members, typically consisting of earnings and profits and/or a release of excess capital.

Fixed Costs

Costs, other than claims, which are paid on a monthly basis – for instance, premium, access fees, and TPA fees.

Gene Therapy

Genetically modifying cells in order to treat disease by repairing defective genetic material.

HealthJoy

Chat-based, concierge-like care coordination program delivered via mobile device. ParetoHealth Members can enroll in HealthJoy and gain access to provider recommendations, telemedicine consults, claims advocacy, and prescription savings.

HIPAA (The Health Insurance Portability and Accountability Act of 1996)

The Health Insurance Portability and Accountability Act which governs protection of private health information.

HPI (Health Plans Inc.)

A "ParetoHealth preferred" TPA that participates in the ICM platform.

ICM (Integrated Cost Management)

ParetoHealth's ICM platform offers Members: access to Integrated Point Solutions (cost containment programs that are integrated with preferred PBMs and TPAs for seamless efficiency), Interventions (identification of real-time cost-savings opportunities that are based on certain triggering events or diagnoses), and Playbooks (retrospective analysis of personalized Member data to aid in long-term strategic planning).

KISxCard

Direct contracting helps connect plan members with healthcare providers who offer transparent bundled prices for over 400 surgery and imaging procedures. Employers can expect to save an average of 50% on services while employees get access to the care they need for \$0.

KRP (Keystone Risk Partners)

The captive's domicile manager, tasked with day-to-day bookkeeping, financial reporting, regulatory reporting, verifying the computation and posting of capital, and coordination execution of investments.

Lasers

Lasers are higher individual-specific deductibles. It's common practice in the insurance industry to issue a laser when a high-risk individual is identified. Carriers often exclude these "known risks" because it saves them from covering future claims incurred by these high-cost claimants. Unfortunately, though, the laser means the employer bears the sole costs of these high claims, since they are not covered by stop-loss.

Leveraged Trend

A projection of how much the cost of catastrophic claims (i.e., those covered by stop-loss insurance) will rise over time, as a function of first dollar claims. Leveraged trend increases the amount of carrier liability if the employer's liability (in the form of the deductible) remains the same each year.

Loss Ratio

The ratio used of claims reimbursed by the insurance company versus the premium collected to reimburse all claims.

Magellan Rx Management

A PBM that participates in PRxC.

Medical Trend

Year over year increase in cost for the same medical treatment, service, or procedure.

Member Cost Containment Index ("MCCI")

ParetoHealth captive members complete an annual survey known as the MCCI survey which quantifies the steps the Member took to contain costs in a given year. The survey results in a score that allows Members to assess their individual year-over-year progress and see how it compares to other Members. The MCCI score impacts each Member's renewal rates.

Meritain Health

A "ParetoHealth preferred" TPA that participates in the ICM platform.

Meritain Pharmacy Solutions ("MPS")

CVS/Caremark PBM available only through Meritain and participates in PRxC.

Net Premium

The portion of premium that a carrier retains in exchange for assuming risk.

Network Effect

The way that the size and scale of the captive, the informed decision-making of its Members in cost reduction, and beneficial outcomes for Consultants and carriers all combine to create our shared success.

NICU Claims

Neonatal intensive care unit claims, typically resulting from infants with complications and premature births. The typical NICU claim can cost hundreds of thousands of dollars, but with proper management, costs can be mitigated and medical outcomes improved.

Notional Capital Report

Annual report issued to each ParetoHealth Member detailing the amount of capital contributed by the Member, the amount of capital consumed or rolled over to a new program year, and any earnings and profits attributable to that Member.

Ocean Effect

The way that a captive with greater pooled resources is able to disperse the impact of high claims, as opposed to smaller programs where single catastrophic claims can put the entire program at risk.

Paradigm Holdings, LLC

Company established for the sole purpose of owning and operating the captive, Paradigm.

Paradigm Re, LLC

Captive, owned and operated by Paradigm Re Holdings, LLC.

ParetoHealth Champions Program

A program in which ParetoHealth Members act as ambassadors, volunteering to speak with prospective members and leading regular introductory calls with new captive Members.

ParetoHealth PlayBooks

ParetoHealth Playbooks offer customized, strategic cost-savings solutions that help optimize plan design and reduce healthcare costs based on the specific data of the Member. ICM Members receive three different playbooks – Participant Optimization, Pharmacy and Medical.

Pareto Rx Consortium (“PRxC”)

Through a combination of best-in-class PBM contracts, an industry-leading Rx consulting firm, and a suite of innovative specialty drug solutions, the Pareto Rx Consortium enables members to save up to 25% on their total Rx spend.

PBM (Pharmacy Benefits Manager)

A PBM is a third-party administrator of a prescription drug program that is primarily responsible for processing and paying prescription drug claims. PBMs typically negotiate discounts and rebates with drug manufacturers, contract with pharmacies, and develop and maintain the drug formulary. ParetoHealth experts negotiate pharmacy benefits manager (PBM) contracts on behalf of its Members and monitors PBM performance to ensure compliance with preferred pricing and rebate guarantees.

Phia (The Phia Group)

ParetoHealth Members have access to the Phia Group, offering comprehensive consulting and legal services, plan document drafting and review, and third-party post-claim appeal fiduciary responsibility.

ProgenyHealth

Company dedicated to Maternity and NICU care management. ProgenyHealth offers ParetoHealth Members best-in-class service for the health of mothers and children, including a pursuit of better outcomes for premature and medically complex infant cases.

The Pulse

Newsletter for ParetoHealth Members and Consultants, delivered via email on the first of each month.

Quantum Health

Healthcare navigation program available to ParetoHealth Members, offering personal team of nurses, benefits experts and claims specialists to support your employees’ unique healthcare needs.

Quota Share

An arrangement where the stop loss carrier and the captive agree to share premiums and losses according to a fixed percentage.

Rate Cap

Capping a renewal rate change at a maximum increase in any given year.

Run-In Coverage

Coverage provided via the stop-loss policy for claims incurred prior to the effective date and paid after the effective date.

Run-Out Coverage

Coverage provided via the stop-loss policy for claims that are incurred during a policy period but not paid until after the policy period.

Self-Funding

The method of providing employee benefits in which the group does not purchase conventional health insurance but rather elects to pay claims directly (generally through the services of a TPA) and purchase stop-loss insurance to cover abnormal risks and claim fluctuations.

SmartMatch

ParetoHealth Members have access to the SmartMatch "SmartConnect" program. SmartMatch proactively targets Medicare-eligible participants three times per year through proactive e-mail and home mailer campaigns with the aim of transitioning participants off of the employer's health plan and onto a Medicare plan, often at significantly reduced savings for the participant and employer alike.

SmithRx

A PBM that participates in the PRxC program.

Specialty Drugs

High-cost pharmaceuticals used to treat complex conditions, including injectible or infused "biologic" drugs that are derived from living organisms.

Specific Attachment Point

The threshold at which a group stops paying for an individual's claim and the stop-loss protection assumes payment responsibility.

Specific Deductible

The specified dollar amount paid on an individual claimant by an employer's plan before the stop-loss policy will reimburse additional expenses. This amount is also referred to as the employer's liability under the contract.

Specific Stop-Loss

Coverage that protects an employer against an individual high-dollar claim.

Springbuk

ParetoHealth Members can enroll in Springbuk, a data analytics program, to facilitate access to data, understand causes of claims, make informed cost containment decisions, and predict future spending.

Stop-loss Insurance

Excess insurance that protects an employer against catastrophic or unpredictable claims.

Stop-loss Carrier

Insurance company offering stop-loss insurance.

Third Party Administrator ("TPA")

A company that provides claims and administrative services and provider network access for a self-funded client.

Trend

A prediction of how much costs will rise over the next policy period. It is one of the factors used to calculate new business and renewal pricing for health plans and stop-loss insurance. Trend rates are different for Medical and Rx.

Utilization Review ("UR")

Process of certifying medical necessity for hospitalizations and procedures. Typically handled by an outside vendor arranged by the producer.

Wellness Programs

Programs designed to promote health and wellness, usually through a workplace. Offerings can include premium discounts, cash rewards, gym memberships, and other incentives to encourage participation.

Notes

Thank You!

ParetoHealth sincerely thanks our sponsors for supporting our mission and for their very generous contributions to this Paradigm Re Members' Meeting.

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About ParetoHealth

We're in it for the greater good

ParetoHealth was founded in 2011 to help small and medium-sized businesses fight the rising cost of employee health benefits. We blazed the trail with financing solutions that reduce the risks in self-insurance while delivering significant savings – and we continue to lead with a growing ecosystem of partners and world-class healthcare benefits.

To date we've helped over 2,200 Members, covering more than 810,000 lives gain access to those health benefits. Together we are fortified as we continue the charge to dismantle outdated employee health insurance approaches and challenge organizations to build new ways of bringing affordable healthcare to their employees.

Every aspect of ParetoHealth's solution is designed to support and enhance this basic goal. As our captives expand, they become even more robust and stable. By taking a selective approach to new business, our risk pool remains healthy. By taking a proactive approach to cost containment in a member-owned captive, economic incentives are aligned.

For the select group of benefits consultants who work with us, we represent a better solution for your clients. When we see a stagnant industry, we see an opportunity to grow your business while doing some good. With our benefits funding solution and your hands-on expertise, ParetoHealth is unstoppable.

We don't take ourselves too seriously, but we take our mission very seriously. We want to pull an archaic industry into the future. We've seen remarkable progress as we've stood toe-to-toe against "Big Insurance", however the best part is standing as a united front, side by side, with our consultants, partners, employees, and captive Members on the right side of the fight.

www.paretohealth.com



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