

SELF-INSURED

Self-insured employers save 8.0% by year 3 with ParetoHealth

ParetoHealth's proven savings versus traditional self-insurance

A longitudinal, claims-based study demonstrated that ParetoHealth delivered consistent savings compared to employers remaining with traditional self-insurance alone. The study analyzed three years of medical and pharmacy claims, and found that employers who switched to ParetoHealth from traditional self-insurance saved 4.3% in healthcare costs in year 1, growing to an incremental savings of 8.0% by year 3. This translated to approximately \$1,000 per employee per year.

ParetoHealth empowers midsize employers with a long-term solution to reduce volatility and lower overall health benefits costs.

Year 1 savings with Pareto

-4.3%

Year 3 savings with Pareto

-8.0%

Source: ParetoHealth Savings Study

Methodology

Data inputs and calculation approach:

- Employers who were previously on a self-insured plan and who had three years of claims, premiums, and administrative-spend data were analyzed
- Outcomes are presented as medians to prevent outliers from skewing the results
- Claims-based savings calculations included the following:
 - Total medical and pharmacy claim expenditures and stop-loss premiums paid
 - Administrative costs for TPA/PBM coverage and fees
 - Savings provided by prescription drug rebates

Validated by Milliman

Our cost savings methodology was independently reviewed by Milliman, the global leader in actuarial services.

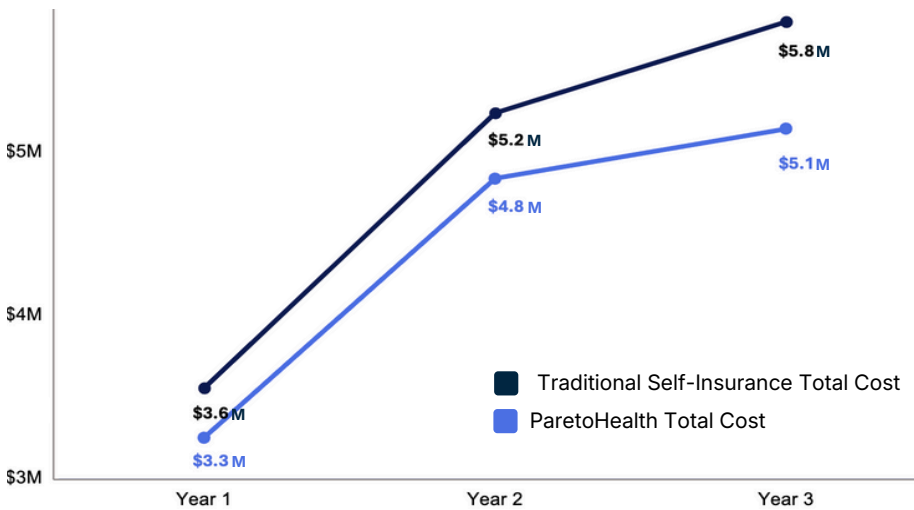
This included objective analysis and peer-review by an unbiased, multi-disciplinary consulting team, with deep health-care expertise.

Consider the potential impact. What could your organization achieve with \$1,000 in savings per employee per year?

Real Member case study

ParetoHealth Member's total healthcare cost savings

Insurance-industry employer with 385 employees



Member savings outcome:

\$1.4M

saved with ParetoHealth
in first three years

Source: ParetoHealth Savings Study

Key drivers of these savings are our industry-leading stop-loss protections—such as our commitment to a 30% rate cap and no new lasers upon renewal—and our prescription drug rebates

ParetoHealth unites employers into one strong, like-minded community

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Our community and scale

Ours is the largest and fastest-growing community of its kind (3x larger than anyone else). This scale delivers risk protection and negotiation leverage that you can't get on your own.



Our Risk Shield

With the strongest stop-loss contract on the market, only ParetoHealth's Risk Shield guarantees no new lasers and caps stop-loss increases, so you can confidently plan for the future.



Our Savings Engine

The Savings Engine is a turnkey platform designed to reduce health-care costs, while providing access to a trusted partner ecosystem and a clear, long-term strategy to improved financial outcomes.

Take control of your health benefits strategy and unlock immediate savings.

Learn more at paretohealth.com/employers

Traditional health insurance is failing small and midsize employers. ParetoHealth unites employers with 50-1,000 employees into one strong, like-minded community that unlocks a better way to eliminate volatility and lower overall health benefits costs. Learn more at paretohealth.com.