All Savers Alternate Funding Plans.

Self-Funded Health Plans for businesses with 5-300[1] employees.

UnitedHealthcare®

For your business.

Plans that are tailored for businesses.

A big concern for business owners is the cost of health care. So, All Savers Alternate Funding plans were built with your business in mind. They're intended to help you save money—and help your employees get more out of their plans, too.

A different kind of plan.

All Savers Alternate Funding is a self-funded health plan designed specifically for businesses with 5-300 employees. It includes three parts:

1. Your **self-funded medical plan**, which pays covered medical expenses of your covered employees and their dependents.

2. A **third-party administration agreement** between you and United HealthCare Services, Inc. or UnitedHealthcare Service LLC in NY for claims processing, billing, customer service and other administrative services.

3. A **stop-loss insurance policy** by All Savers Insurance Company (except MA, MN, NJ and NY), UnitedHealthcare Insurance Company in MA and MN, UnitedHealthcare Life Insurance Company in NJ, and UnitedHealthcare Insurance Company of New York in NY. Stop-loss insurance helps protect the plan from large catastrophic claims by a covered individual, and provides protection in the event that all claim payments made under the medical plan exceed a certain dollar limit.

With a self-funded health plan, you'll have exemption from most Affordable Care Act regulations and state insurance mandates and a potential year-end surplus refund if employee claims are lower than expected.

Keep reading to learn more about what you and your employees will get with an All Savers Alternate Funding plan.

How does alternate funding work?

Traditional insurance is a fixed cost.

With traditional plans, the business pays a fixed premium to the insurance company, and then the insurance company pays the health care claims as well as the administrative costs, sales commissions and taxes.

If the actual health care claims are higher than expected, the insurance company covers them. But if the claims are lower than expected, the insurance company keeps the difference. This means your company doesn't get anything back if your employees have lower-than-expected claims.

All Savers alternate funding plans are different.

With All Savers Alternate Funding, if the covered health care claims are lower than expected, your plan may get money back at the end of the year (where allowed by state law). And if the covered claims are higher than expected, your stop-loss insurance policy covers them.

Here are a few additional benefits of an All Savers Alternate Funding self-funded plan:

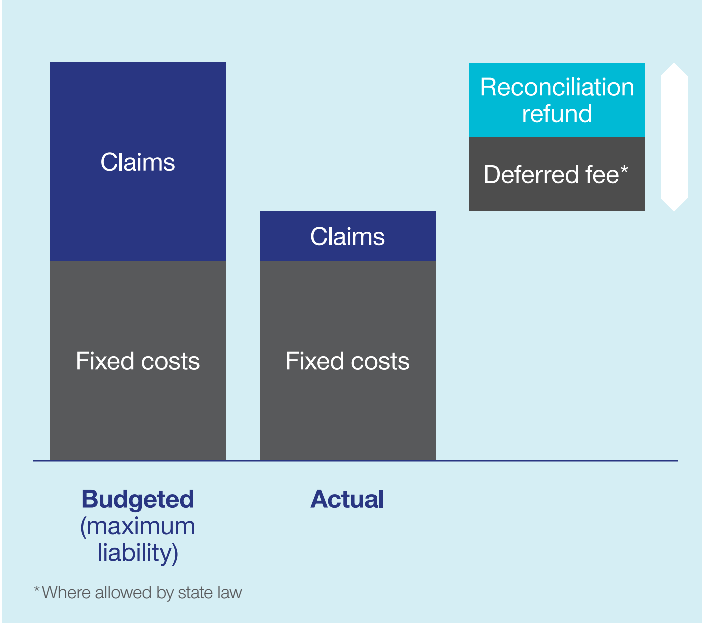
- The plan is a "level-funded" plan, so your company will make the same monthly claims funding payment throughout the plan year. You won't have to pay any more for claims at the end of the plan year, even if you have high claims costs.
- Self-funded medical plans are not subject to most state insurance mandates or state insurance-premium taxes, which can mean lower costs throughout the year. (However, stop-loss coverage is still subject to premium tax.)

Best case: Low claims.

Your company's monthly payments include the estimated health care claims plus fixed-cost items (administrative fees and stop-loss insurance premium). This is called your plan's "maximum liability," which means you won't get stuck at the end of the year with any unexpected costs.

Part of your monthly payments will go into an account that pays for your covered employees' eligible claims. At the end of the year, the monthly claims funding payments will be compared with the actual claims costs. In the best-case scenario, if actual claims costs for the year are less than what was estimated, your plan has a surplus.

After plan reconciliation, one-half of any surplus is sent back to your plan to use for the following year, and one-half is kept as a deferred service fee (where allowed by state law).

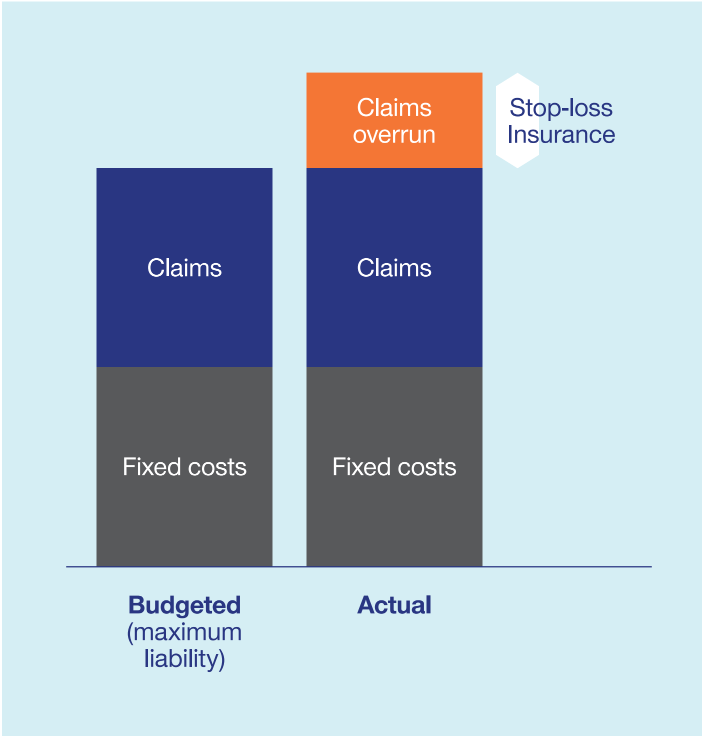


Worst case: High claims.

In the worst-case scenario, the actual claims would be higher than expected. But because your plan would have already paid the maximum liability, you won't pay more for covered claims at the end of the plan year.

Your plan is protected by the stop-loss insurance that is already built into your monthly payments.

Of course, each year could be somewhere in between. But in any case, many businesses could save with an All Savers Alternate Funding plan.



Please consult a tax and/or legal advisor to determine if, by receiving this surplus refund, there are any restrictions or obligations, or whether the surplus refund is taxable.

[1] Groups of 5-300 eligible employees. Group size may vary by state.

Administrative services provided by United HealthCare Services, Inc. or their affiliates, and UnitedHealthcare Service LLC in NY. Stop-loss insurance is underwritten by All Savers Insurance Company (except MA, MN, NJ and NY), UnitedHealthcare Insurance Company in MA and MN, UnitedHealthcare Life Insurance Company in NJ, and UnitedHealthcare Insurance Company of New York in NY.

This product is not available in all states.

United Healthcare®