

The Value of Group Purchasing for Ancillary Employee Benefits

Presented By:

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INDUSTRY PARTNER

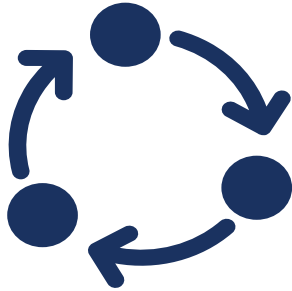
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AGENDA



Trust Structure &
Operation



Value Add to
Participating
Employers



WHIT Solution

TRUST STRUCTURE & OPERATION

Industry

- The Trust is comprised of members of a common industry/nexus to achieve better leverage as a group

Board Governance

- Elected by membership for the benefit of the members

Trust Advisors

- A slate of advisors including plan consultant, plan administrator, legal counsel, auditor, and investment advisor

TRUST STRUCTURE & OPERATION

Member
Education

Eligibility &
Billing/Customer
Service

Compliance

Investment
Policy
Deployment

TRUST STRUCTURE & OPERATION

Member Education

Develop

innovative products &
services with current
vendors

Approach

new vendors for ideas for
new useful additions to the
current menu of products
and services

Inform

both members and
prospective members of
the products available to
them though the Trust

Collaborate

with members brokers and
consultants to keep them
updated on trust products
and services

TRUST STRUCTURE & OPERATION

Eligibility and Billing & Customer Service

Maintain accurate records of plan participation by employer & employee specific participation

Bills participating employers for appropriate contribution amounts based on product participation

Remits premium to Trust vendors & pays other Trust related expenses

Provides customer service for the employees of participating members

TRUST STRUCTURE & OPERATION

Compliance

Through Legal Counsel, assures all products are fully compliant with all federal and state regulations

- Washington OIC
- DOL and IRS (ERISA)

Keeps participating members informed on general compliance standards for their overall benefit programs

Monitors proposed and pending legislation and advises Trustees & participating employers of compliance strategies

Files all required reports and returns with the federal government (Form 5500 & 990 Tax return)

TRUST STRUCTURE & OPERATION

Investment Policy Deployment

Trustees establish practical asset allocation of trust assets and the appropriate fund managers for each with an Investment Advisor

Monitors fund manager performance and allocation as deemed prudent

Daily management of cash and establishes maximum cash levels appropriate for the trust, sweeping excess dollars to investments

VALUE ADD TO PARTICIPATING EMPLOYERS

Participating in an efficiently managed trust allows employer contributions to be invested into:



Competitively
priced products



Innovative
plan designs



Best-in-class
financial terms



Long-term
rate stability

WHIT SOLUTION

Established in 1972 by WSHA as a resource for members to access affordable/well-designed benefit plans.



WHIT's Founding Principle: To provide benefits to members which are uniquely crafted for the healthcare employer that bring either **price** and/or **plan design features** not generally available in the broader insurance marketplace.

WHIT SOLUTION

WHIT's Unique Approach

1

WHIT has developed unique refunding style contracts in both life/disability and dental

2

Excess premium is returned to the Trust. The Trust invests those funds back into the membership over time

- Dividends and refunds are not earned every year
- These refunds are invested and become part of the Trusts' Net Unobligated Reserves until needed
- Trustees have, over time, made significant investments back into its membership

3

The thoughtful & intentional re-investment back into its membership is the core reason for the success of WHIT over the past 50 years

WHIT SOLUTION

Rate Stability with WHIT

Delta Dental rates for our community rated employers have seen below trend increases since 2000 with rate passes in nearly ½ of those years

Basic Life and AD&D rates have remained unchanged since late 90's

Disability rates have seen only minor adjustments since 2008

WHIT SOLUTION

Recent Examples of investment back into participating employers

Extended Delta Dental subsidy during COVID for participating employers (2021)

- Delta provided all WHIT groups a four-month premium discount of 25%
- WHIT Trustees used Trust Reserves to extend that premium Holiday plus an additional four months through April of 2021

WHIT Trustees offered a robust EAP program through First Choice EAP and **subsidized the cost 67%** in order to deliver a **\$0.50 PEPM** cost to participating employers

THANK YOU

QUESTIONS?

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