

# The 20/20 Report

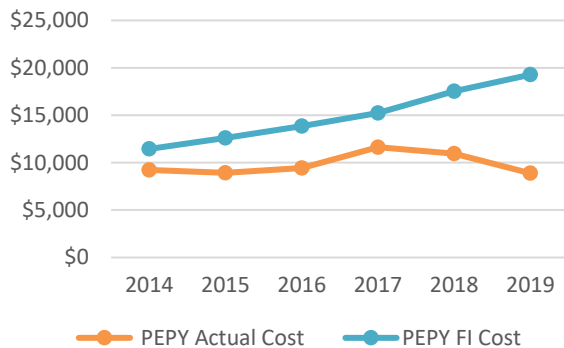
## 2019 Preliminary Performance Review

Sample Company

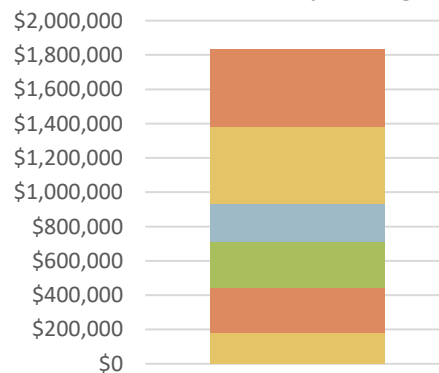
WHEN COMPARED TO FULLY INSURED, SAMPLE COMPANY REALIZED:

# \$1,831,284 SAVED

Savings Generated PEPY In the Roundstone Program vs. Fully Insured



Roundstone Medical Captive Program Savings



### MEDICAL CAPTIVE PROGRAM SAVINGS

The difference between Sample Company and fully insured PEPY each year is:

\$2,212 in 2014	\$3,657 in 2015
\$4,407 in 2016	\$3,604 in 2017
\$6,560 in 2018	\$10,397 in 2019

### ROUNDSTONE PROGRAM VS. FULLY INSURED

Sample Company saved \$1,831,284 compared to fully insured. Savings each year:

\$178,960 in 2014	\$266,653 in 2015
\$266,282 in 2016	\$222,575 in 2017
\$447,142 in 2018	\$449,672 in 2019

<b>Underwriter:</b>	Sue Russo
<b>Sales Rep:</b>	David Konrad
<b>Client Manager:</b>	Dan Santora
<b>Effective date:</b>	7/1/2019

## Account Summary

**Effective Date 07/01/2019**

Experience 07/2014 - 01/2020

	2019	2018	2017	2016	2015
<b>UY Summary for 2014 - 2019</b>					
Medical Captive Program Net Cost	\$384,058	\$747,447	\$718,416	\$570,694	\$651,658
Medical Captive Program (Expected Results)	\$531,518	\$811,135	\$663,032	\$624,526	\$784,621
Fully Insured Program Cost	\$833,729	\$1,194,589	\$940,991	\$836,975	\$918,311
<b>Actual Results vs Expected Results</b>	<b>72.26%</b>	<b>92.15%</b>	<b>108.35%</b>	<b>91.38%</b>	<b>83.05%</b>
<b>Savings/Actual Results vs Fully Insured</b>	<b>53.93%</b>	<b>37.43%</b>	<b>23.65%</b>	<b>31.81%</b>	<b>29.04%</b>

	Total	2019	2018	2017	2016	2015
<b>Roundstone Medical Captive Program (Gross Costs)</b>						
Specific and Aggregate Premiums	\$1,264,631	\$157,164	\$239,101	\$197,521	\$177,110	\$239,566
TPA/Broker/PPO Network Related Fees	\$366,009	\$40,767	\$63,436	\$54,849	\$57,529	\$70,438
Advisor Fee	\$0	\$0	\$0	\$0	\$0	\$0
Claim Expenses (net of reimbursable losses)	\$2,262,813	\$196,342	\$460,451	\$466,046	\$347,567	\$361,584
Collateral/Reserves	\$53,335	\$22,341	\$6,319	\$0	\$0	\$2,330
<b>Total - Medical Captive Program Gross Cost</b>	<b>\$3,946,789</b>	<b>\$416,614</b>	<b>\$769,307</b>	<b>\$718,416</b>	<b>\$582,206</b>	<b>\$673,918</b>
Fully Insured Cost	\$5,651,017	\$833,729	\$1,194,589	\$940,991	\$836,975	\$918,311

<b>Summary - Gross Cost (No UW Profit or Return of Collateral/Reserves)</b>						
Medical Captive Program Gross Cost	\$3,946,789	\$416,614	\$769,307	\$718,416	\$582,206	\$673,918
Fully Insured Program	\$5,651,017	\$833,729	\$1,194,589	\$940,991	\$836,975	\$918,311
Cumulative Net Positive/<Negative> Benefit of Medical Captive (Gross)	\$1,704,228	\$417,116	\$425,282	\$222,575	\$254,769	\$244,393

<b>Summary - Net Cost (Net of UW Profit &amp; Collateral/Reserves Distribution)</b>						
Medical Captive Program Net Cost	\$3,819,733	\$384,058	\$747,447	\$718,416	\$570,694	\$651,658
Fully Insured Program	\$5,651,017	\$833,729	\$1,194,589	\$940,991	\$836,975	\$918,311
Cumulative Net Positive/<Negative> Benefit of Medical Captive Program (Net)	\$1,831,284	\$449,672	\$447,142	\$222,575	\$266,282	\$266,653

<b>Enrolled Employees</b>	<b>519</b>	<b>818</b>	<b>741</b>	<b>725</b>	<b>875</b>
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## Account Summary Continued

**Effective Date 07/01/2019**

Experience 07/2014 - 01/2020

	2014					
<b>UY Summary for 2014 - 2019</b>						
Medical Captive Program Net Cost	\$747,461					
Medical Captive Program (Expected Results)	\$772,681					
Fully Insured Program Cost	\$926,421					
<b>Actual Results vs Expected Results</b>	<b>96.74%</b>					
<b>Savings/Actual Results vs Fully Insured</b>	<b>19.32%</b>					

	2014					
<b>Roundstone Medical Captive Program (Gross Costs)</b>						
Specific and Aggregate Premiums	\$254,169					
TPA/Broker/PPO Network Related Fees	\$78,991					
Advisor Fee	\$0					
Claim Expenses (net of reimbursable losses)	\$430,822					
Collateral/Reserves	\$22,346					
<b>Total - Medical Captive Program Gross Cost</b>	<b>\$786,328</b>					
Fully Insured Cost	\$926,421					

<b>Summary - Gross Cost (No UW Profit or Return of Collateral/Reserves)</b>						
Medical Captive Program Gross Cost	\$786,328					
Fully Insured Program	\$926,421					
Cumulative Net Positive/<Negative>						
Benefit of Medical Captive (Gross)	\$140,093					

<b>Summary - Net Cost (Net of UW Profit &amp; Collateral/Reserves Distribution)</b>						
Medical Captive Program Net Cost	\$747,461					
Fully Insured Program	\$926,421					
Cumulative Net Positive/<Negative>						
Benefit of Medical Captive Program (Net)	\$178,960					

<b>Enrolled Employees</b>	<b>971</b>					
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## PEPM Values

**Effective Date 07/01/2019**

Experience 07/2014 - 01/2020

	2019	2018	2017	2016	2015
<b>UY Summary for 2014 - 2019</b>					
Medical Captive Program Net Cost	\$740	\$914	\$970	\$787	\$745
Medical Captive Program (Expected Results)	\$1,024	\$992	\$895	\$861	\$897
Fully Insured Program Cost	\$1,606	\$1,460	\$1,270	\$1,154	\$1,049
<b>Actual Results vs Expected Results</b>	<b>72.26%</b>	<b>92.15%</b>	<b>108.35%</b>	<b>91.38%</b>	<b>83.05%</b>
<b>Savings/Actual Results vs Fully Insured</b>	<b>53.93%</b>	<b>37.43%</b>	<b>23.65%</b>	<b>31.81%</b>	<b>29.04%</b>

	2019	2018	2017	2016	2015
<b>Roundstone Medical Captive Program (Gross Costs)</b>					
Specific and Aggregate Premiums	\$303	\$292	\$267	\$244	\$274
TPA/Broker/PPO Network Related Fees	\$79	\$78	\$74	\$79	\$81
Advisor Fee	\$0	\$0	\$0	\$0	\$0
Claim Expenses (net of reimbursable losses)	\$378	\$563	\$629	\$479	\$413
Collateral/Reserves	\$43	\$8	\$0	\$0	\$3
<b>Total - Medical Captive Program Gross Cost</b>	<b>\$803</b>	<b>\$940</b>	<b>\$970</b>	<b>\$803</b>	<b>\$770</b>
Fully Insured Cost	\$1,606	\$1,460	\$1,270	\$1,154	\$1,049

<b>Summary - Gross Cost (No UW Profit or Return of Collateral/Reserves)</b>					
Medical Captive Program Gross Cost	\$803	\$940	\$970	\$803	\$770
Fully Insured Program	\$1,606	\$1,460	\$1,270	\$1,154	\$1,049
Cumulative Net Positive/<Negative> Benefit of Medical Captive (Gross)	\$804	\$520	\$300	\$351	\$279

<b>Summary - Net Cost (Net of UW Profit &amp; Collateral/Reserves Distribution)</b>					
Medical Captive Program Net Cost	\$740	\$914	\$970	\$787	\$745
Fully Insured Program	\$1,606	\$1,460	\$1,270	\$1,154	\$1,049
Cumulative Net Positive/<Negative> Benefit of Medical Captive Program (Net)	\$866	\$547	\$300	\$367	\$305

<b>Enrolled Employees</b>	<b>519</b>	<b>818</b>	<b>741</b>	<b>725</b>	<b>875</b>
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## PEPM Values Continued

**Effective Date 07/01/2019**

Experience 07/2014 - 01/2020

	2014					
<b>UY Summary for 2014 - 2019</b>						
Medical Captive Program Net Cost	\$770					
Medical Captive Program (Expected Results)	\$796					
Fully Insured Program Cost	\$954					
<b>Actual Results vs Expected Results</b>	<b>96.74%</b>					
<b>Savings/Actual Results vs Fully Insured</b>	<b>19.32%</b>					

	2014					
<b>Roundstone Medical Captive Program (Gross Costs)</b>						
Specific and Aggregate Premiums	\$262					
TPA/Broker/PPO Network Related Fees	\$81					
Advisor Fee	\$0					
Claim Expenses (net of reimbursable losses)	\$444					
Collateral/Reserves	\$23					
<b>Total - Medical Captive Program Gross Cost</b>	<b>\$810</b>					
Fully Insured Cost	\$954					

<b>Summary - Gross Cost (No UW Profit or Return of Collateral/Reserves)</b>						
Medical Captive Program Gross Cost	\$810					
Fully Insured Program	\$954					
Cumulative Net Positive/<Negative>						
Benefit of Medical Captive (Gross)	\$144					

<b>Summary - Net Cost (Net of UW Profit &amp; Collateral/Reserves Distribution)</b>						
Medical Captive Program Net Cost	\$770					
Fully Insured Program	\$954					
Cumulative Net Positive/<Negative>						
Benefit of Medical Captive Program (Net)	\$184					

<b>Enrolled Employees</b>	<b>971</b>					
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**Definitions & Sources**
**TERM**
**DEFINITION**

Collateral/Reserves

The Employer's contribution to the captive's asset pool, as security to ensure that sufficient assets are available to satisfy captive liabilities.

Collateral/Reserves that are not needed to pay claims in the captive's layer of risk are returned to the participants after the close of the underwriting year or credited to the next year.

Enrolled Employees

The total number of employees on the plan for each month of the contract.

Experience

The starting and ending dates for claims data used to generate the 20/20 report.

PEPM

Per enrolled employee per month.

PEPY

Per enrolled employee per year.

Third Party Administrator (TPA)

A firm that handles certain administrative responsibilities for the plan on a fee-for-service basis, as contracted by the Employer. These responsibilities generally include drafting plan documents, processing and paying medical service provider invoices, and submitting stop loss claims.

Sources			
Enrolled Employees:	Stop Loss Policy	Collateral/Reserves:	Bound Proposal
Specific / Aggregate Rates:	Stop Loss Policy	TPA, Broker, and Advisor Fees:	Bound Proposal
Gross Claims:	Aggregate Report	Stop Loss Reimbursements:	Aggregate Report
*Fully Insured Rates:	2014 Renewal Rates, 10% for 2015, 10% for 2016, 10% for 2017, 15% for 2018, 10% for 2019		

\*Fully Insured Rate annual increases are based on the loss ratio of the previous year.