

There's comfort in knowing your costs are under control

Level Funded Premium
for businesses with 35-99 employees



- *A simple solution to self-fund your medical plan*
- *Predictable and easy-to-budget costs*
- *Limited financial exposure and added advantages in a post-healthcare-reform environment*

You want choosing benefits to be simple. We're actually doing something about it. Once you choose your medical plan and determine your network options, it's time to think about funding your company's medical benefits.

For small businesses interested in self-funding, Level Funded Premium is a good option. While normally self-funded businesses experience monthly variation in financial costs, Level Funded Premium allows businesses to know exactly what they'll pay each month. Our Level Funded Premium plans are similar to fully-insured plans in that you pay a fixed monthly premium. The premium covers expected claims, stop-loss, and administrative fees. If the claim costs come in better than expected, you save. The stop-loss coverage protects you if claim costs are higher than expected. Level funded plans have more stable costs than a traditional self-funded option, and gives you even more choice.



[Humana.com](https://www.humana.com)

The advantages of a Level Funded Premium plan:

Predictability

You'll have consistent payments month over month – no surprises

Savings

With a positive claims experience, you could benefit from a settlement refund at the end of the plan year

Simplicity

Choose any of Humana's standard plans and avoid dealing with customized benefits

Level Funded Premium is available with a unique type of self-funding to groups with 35-99 eligible employees. It can help protect your cash flow through fixed monthly premium payments – giving you consistent and easy-to-budget costs.

Stop-loss protection

Level Funded Premium limits your financial exposure to unexpected costs normally due to certain large claims. Two levels of stop-loss protections are provided. First is your insurance protection against large claims incurred for individual members. Second is coverage protects you when total claims by your group exceed a certain level of expected claims. This provides an indirect benefit by enabling you to take on risk safely and provide health benefits to your employees.

Because of the self-funded features, Humana will take care of any claims that exceed the stop-loss limit(s).



If your annual claims total is less than your funded amount, you'll receive a settlement refund at the end of the plan year.

Level Funded Settlement example

At the time of settlement you'll receive a detailed report indicating exactly how your premium was applied to your expenses.

Example	Paid claims	Aggregate limit (claims fund)	Claims fund remaining	Terminal reserves	Humana share	Refund to group
Expected claims	\$180,000	\$170,000	\$22,200	\$6,800	\$5,128	\$10,272
Low claims	\$150,000	\$170,000	\$40,000	\$6,800	\$11,056	\$22,144
High claims	\$220,000	\$170,000	-\$5,000	\$0	\$0	\$0

Aggregate stop-loss – A group's protection in the event the group's total claims exceed the expected claims during the contract period.

Specific stop-loss – Insurance protection for self-funded employer in case there are high claims on any member.

Claims fund – The portion of the monthly payment that Humana sets aside to fund claims payments for the employer.

Expected claims – The amount of anticipated claim for the employer and excludes the anticipated claims above the specific stop-loss coverage.



Healthier employees mean a healthier bottom line

Humana's vision is to help our members achieve lifelong well-being. That means more than just physical health. Through programs like HumanaVitality®, we can work together to inspire your employees to make healthy lifestyle changes – and healthier employees mean a healthier bottom line.

How the HumanaVitality program works:

- It's a wellness and rewards program that inspires employees to live healthier lives at home and work
- It establishes personal goals based on your confidential employee health assessments
- When employees get out, get active, and achieve their goals in the form of VitalityPointsSM, they can redeem their points for valuable rewards
- Costs included in medical plan administrative fees

The Humana difference

What makes Level Funded Premium special is that it comes with a standard Humana plan. Our products and wellness programs are designed to meet your needs, which means you can focus on what's most important– running your business. Check out our traditional plans and lower cost options like Humana Simplicity.

Traditional plans

When you choose one of Humana's traditional plans, your employees get features they know and want, including large provider networks. And you get opportunities to make smart financial decisions. Use our forecasting and reporting tools to make administration easier. Choose from health maintenance organization (HMO), preferred provider organization (PPO), or National Point-of-Service (POS) plan designs for your members.

Humana can offer your business a full suite of benefit options through our specialty benefits, as well as manage your prescription drug costs.

Humana Simplicity

At Humana, we don't think a medical plan has to be hard to understand – or pay for. That's why we developed Humana Simplicity. It offers your employees outstanding medical coverage at a price they can afford. When they use in-network healthcare services, they pay no deductible, just a copayment. That makes this plan easier for you to administer.

Prescription drug plans

Give your employees a low-cost prescription drug benefit featuring a robust network that's accessible for them and a plan design that's easy for you to administer. Visit [Humana.com/large group](https://www.humana.com/large-group) for all the details.

Specialty benefits

With Humana Specialty Benefits workplace voluntary products, you can expand your employee benefits package with no direct cost to your business. We offer employer-paid, employee-paid, or a combination of plan designs. Offering optional benefits such as dental, vision, disability, critical illness/cancer, accident and life plans help keep your employees secure – and keep you competitive in the marketplace.



Contact your agent or Humana representative today to get started.

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[Humana.com](https://www.humana.com)

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For Arizona Residents: Offered by Humana Health Plan, Inc. or insured by EmpheSys Insurance Company or insured or administered by Humana Insurance Company.

Please refer to your Benefit Plan Document (Certificate of Coverage/Insurance or Summary Plan Description) for more information on the company providing your benefits.

Our health benefit plans have limitations and exclusions.

HumanaVitality is not an insurance product.