



**Offering Over 20 Years of  
Expertise  
In Small to Mid-size  
Group Healthcare Benefits**

**Your Leaders in Self-funded Healthcare**



**Introducing the**  **PACE**  
Health Plan



*ACMG's mission is to provide a fully integrated healthcare system to the self-insured marketplace that enables employers with five or more employees to obtain healthcare benefits with the lowest cost options available in today's marketplace, supported by Customer Service rated by our clients as among the best in the industry.*

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To that end, ACMG developed an innovative health plan called the PACE Health Plan offering a full range of services and benefit designs to assist each employer, regardless of size, develop a benefit program that is both economical and meets the needs of their employees.

All of our services are fully integrated from:

- Eligibility and On-line Enrollment
- Claims Processing
- Utilization Review and Case Management
- Premium Billing
- Claims Payment
- Timely Analysis and Reporting of each employer's utilization and cost data
- An inter-active Website
- 24/7 Nurse On-Call with access to Wellness and self help programs
- HSA and HRA Processing and Payment
- Utilization of a statewide network of providers and pharmacies all backed up by access to a national and international network of providers.

After over two decades of health care administration, ACMG remains a performance leader in providing personal service for health plan administration to the self-insured employer community.





We understand the challenge of keeping PACE with the demands of providing an affordable health plan that meets the needs of your employees. Small to mid-size employers often do not have access to cost saving strategies used by large companies. As a small employer you now have access to this popular large company option such as a self-funded health plan.

The PACE Single Employer Health Plan was established by ACMG (a member of the nHealth family of companies). ACMG is an administrator of self-funded health plans, and has partnered with ancillary providers, a Pharmacy Benefits Manager (PBM) and a full network of providers to provide self-funded health plans to the small to mid-size employers in your area. The goal of PACE is to offer a healthcare delivery option to small employers with an emphasis on working with the local physician communities, allowing them to assist with the management of risk and costs of health care by working with other participating providers and local employers. By establishing a more interactive healthcare system you now have the opportunity to secure health care benefits that are more competitive than other options currently available. The PACE plan allows you to exercise more control over the cost and design your own health care benefits plan.

#### The PACE Single Employer Health Plan:

- Is available to groups of 5 or more employees with 75% of eligible employee participation.
- Follows and Complies with ERISA regulations.
- Protects the financial integrity of the individual employer health plans by underwriting each member company on its own risk factors.
- The PACE Single Employer Benefits offers an interactive website with educational material and a 24/7 nurse hotline.
- This plan offers all of the services necessary to assist employers to establish their own self-funded health and welfare benefits plan with excess loss coverage issued on an specific and aggregate basis, which limits the plans liability for large claims to the monthly contribution. As a self-funded plan, the employer funds, each month up to the maximum liability determined for that group. The employer never pays more than their pre-determined monthly contribution. The employer purchases has excess loss options to include specific and aggregate stop-loss policies issued by Companion Life Insurance Company, or alternately, through Presidential Life. The excess loss coverage provides the funding to pay benefit claims above the contributions of the employer. A separate claims account is established for each group and no funds are commingled with funds from other accounts. Regardless of the actual claims in a given month, the employer funds the same amount each month throughout the plan year subject to changes in enrollment and/or demographics. The stop-loss policy is based on a 12/18 contract, which means claims that are incurred within the 12 month contract period have up to six months following the end of the contract period to be submitted.
- The PACE program has been designed to meet DOL (Department of Labor) guidelines. As with any other self-funded plan, each employer's health and welfare benefits plan is governed by ERISA, and as such, adheres to federal laws and federal mandates.
- PACE includes many benefit designs, at a variety of costs, offering a choice of deductible and coverage amounts including high deductible health plans that can be wrapped with HSAs or HRAs, and a low cost Catastrophic benefit program covering those services that could be financially ruinous to a member. Our programs include COBRA, administered by ACMG, or Continuation of Coverage, administered by Celtic Insurance.



## Plan Options

***Your Benefit Design is the blueprint for plan administration.***

Selected Benefits can drive costs up or down based on the controls in place such as:

1. Pre-Authorization Requirements for both Inpatient and Outpatient Services
2. Consumer Driven Health Plans
3. High Deductible Health Plans integrated with HSAs

The plans are designed to offer you several benefit designs. Groups under 50 can choose up to 2 benefit designs and groups over 50 can choose up to 3 benefit designs. You also have the opportunity to carve out benefits you do not choose to offer such as pharmacy benefits.

You will have the choice to offer Out-of-Network Coverage, or not offer Out-of-Network Coverage.

Most benefit plans will include preventative care benefits, up to the specified levels.

You can offer your employees a choice of pharmacy benefits with variations of their co-payment arrangements, or allow pharmacy services to accumulate towards deductible and out-of-pocket coverage. You can further limit the cost by offering a discount only card.

In addition to your regional PPO coverage, your plan will include National Access PPO coverage, through the PPO On The Go Program. Should employees and their dependents require emergency treatment while outside the PPO service area.

Our representatives can assist you with wrap products such as:  
FSAs, HSAs, and HRAs – which can include Debit Card Programs

***PACE offers flexibility***

**For benefit options, please see the back folder of this packet**





## **Expertise in Small to Midsize Group Healthcare**

We understand the challenges of the small to mid size employer. We work closely with employers and members to ensure satisfaction with coverage and service.

Easy plan administration for employers with online tools for enrollment, change and terminations.

## **Member Education and Empowerment**

We provide numerous self-help tools which enable members to make informed decisions and control their costs. These tools include:

Through [www.acmg-inc.com](http://www.acmg-inc.com) you have access to an award winning web site

Access to Benefit Information

24/7 Nurse Hotline

World Doc for educational tools health risk assessments where you can get personalized health recommendations, evaluate symptoms or browse diseases to get information on causes and treatments, and find information on life changing events such as diets and exercise.

## **True Personal Service**

Employers and members can easily get answers to questions when they call our offices. They will be able to speak to a live Member Service representative, and for those who would prefer, can send email to our Member Services directly.



## ANSWERS TO MANY OF YOUR QUESTIONS

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**ACMG** has developed a unique new product that brings the benefits of ERISA plans and the “stability” of fully insured plans to the small group market.

### ***What is an ERISA health plan?***

The Employee Retirement Income Security Act of 1974 (ERISA) enabled employers to take more direct control of their health care costs. Employers learned they could save money by customizing their health plan eliminating unnecessary (but costly) extras, while still providing the benefits their employees need. Historically, ERISA plans have generally been the province of large groups. For smaller groups, the downside to such plans was the risk that the employer could end up spending more with an ERISA (often called self-funded) plan than a traditional insured plan.

Until now.

Keeping  with Health Care...

### ***What's the biggest advantage of an ERISA-type plan over a more traditional fully insured one?***

Larger employers can customize a health plan to include only the benefits they choose to offer, and limit the costs to those services they wish to offer. ERISA health plans are regulated by the Department of Labor instead of the Department of Insurance, so ERISA plans are not required to offer state mandated benefits, which can account for up to 20% of an employer's fully insured premium. Self-funded plans are not subject to state health insurance premium taxes on claim-fund dollars, providing employers with direct savings.

### ***How does the PACE Health Plan differ from "traditional" ERISA health plans?***

The initial difference is that the PACE Health Plan is for employers with as few as 5 employees, a market that usually does not have the opportunity to self-fund their health plan. PACE is a fully funded self-funded health plan.

### ***A "fully funded" self-funded plan? Isn't that an oxymoron?***

A fully funded self-funded plan means that the employer is issued a monthly contribution that includes all administrative costs, stop-loss premiums and the maximum claims cost for the group. This represents the second difference between PACE and traditional self-funding. The employer deposits their monthly contribution into their company's health plan account each month for their 12 month plan year, and that is all they pay. This key element of PACE removes the risk of a financially ruinous event by assuring the employer is never responsible for any funding above their monthly contribution. PACE was created through a partnership between ACMG and ancillary providers, a Pharmacy Benefits Manager (PBM) and a full network of providers (PPO).

### ***What is Stop-loss?***

This is the insured portion that limits the employers' liability. Stop-loss is provided through Companion Life or Presidential Life, who have agreed to a lower than normal aggregate corridor, reducing the liability for the smaller employer. There are two types of stop-loss coverage to limit the employers' liability:

**Specific stop-loss** protects the employer if employee or dependent claims exceed a specified amount per participant. The stop-loss insurance pays claims exceeding that amount for the remainder of the year.

**Aggregate stop-loss** provides additional protection if total claims for all of a group's employees and dependents exceed a defined amount. If claims exceed that amount, the stop-loss insurance pays additional covered claims for the remainder of the year.

### ***How does ACMG determine the monthly contribution rates for a group?***

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Each employee within the group must complete a medical questionnaire. The information is reviewed (underwritten) by our staff of RNs and rates are established based on the answers given.

***What if a member forgets to include information?***

Only the information included on the medical questionnaire is underwritten and included in the rates; therefore, only those items disclosed are covered by the plan until renewal.

***What if a group enrolls with PACE, but after a year decides to enroll with another plan?***

A client is committed to the plan for only a one year basis. Upon renewal the employer has the option to select different coverage.

***What if claims spike in the first few months, will the Employer have to contribute more than the established monthly contributions?***

The employer never pays more than their monthly contributions. If claims spike early in the year, your stop-loss carrier advances funds to cover costs, then recovers the money from future contributions. If claims continue at a high level, the stop-loss insurance provides a safety net through specific and aggregate stop-loss coverage.

***What if an employers claim expenses are lower than what they funded?***

If claim expenses are lower than what the employer funded, they retain that surplus. This can be used to fund other benefits, including the offset of future claims costs.

***What if the plan experiences large costs?***

If the company's health costs increases substantially during the benefit year resulting in higher contributions at renewal, the employer can move to a fully insured plan at that time.

***How does the plan work?***

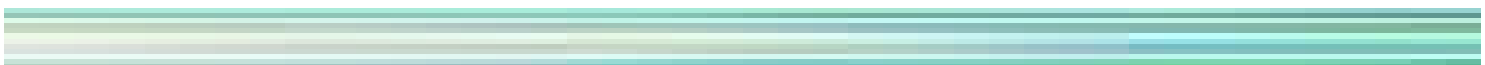
1. Through an ACH debit to your designated bank account, your monthly contribution is withdrawn and credited to your health plan account, which is established by ACMG on behalf of each employer
2. Claims and administrative costs are paid out of the health plan account. If funds are not available to pay claims the stop-loss carrier advances funds to cover claims costs
3. Stop-loss pays for covered claims exceeding the specific and/or aggregate stop-loss amounts
4. At the end of the year, money remaining in your account is yours to use for other benefits or future claims

***What happens if a member terminates?***

For groups with less than 20 employees, a conversion plan is offered through Celtic Insurance. Cobra conversion is extended to groups with 20 or more members. ACMG administers all Cobra and HIPAA services as part of the groups monthly administrative fees.

***What about Pharmacy coverage?***

ACMG has partnered with an established PBM to manage the retail and mail order pharmacy administration.



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## Optional Ancillary Services

### HIPAA & COBRA

To assist with compliance requirements under the *Health Insurance Portability and Accountability Act* (HIPAA), **ACMG** offers clients a program to administer HIPAA on their behalf. This administration includes:

- Receiving and verifying Certificates of Creditable Coverage for new enrollees
- Calculating and advising participants of applicable pre-existing condition time satisfied and remaining
- Issuing Certificates of Creditable Coverage to terminating plan participants
- Policies and Agreements to comply with Privacy mandates

**ACMG** will assist with employee notification materials and summary plan description modifications, if necessary, and will provide updates as to any technical corrections or modifications in the HIPAA provisions.

### COBRA ADMINISTRATION

To help comply with the *Consolidated Omnibus Budget Reconciliation Act of 1985* (COBRA) and the DOL COBRA regulations, **ACMG** offers groups of 20 or more employees, a program to administer COBRA on their behalf, which includes the following services:

- Upon enrollment provide general COBRA notices
- Upon our notification of a Qualifying Event, forward election forms to qualified parties with a description of their rights under the law, the premium payment requirements and conversion rights when applicable
- Receive and forward all payments to the employer for deposit
- Maintain records to verify timely receipt of election forms and premium payments
- Maintain monthly eligibility data
- Provide timely access for inquiries by COBRA participants via a toll free 1-800 number
- Process all claims in accordance with the plan limits
- Maintain separate claims experience and provide the employer separate cost and statistical reports
- Provide notices of unavailability of COBRA coverage and COBRA coverage termination notices (when applicable)

Conversion coverage through Celtic Insurance is offered to groups with under 20 employees.

**ACMG** will supply employee material and summary plan description supplements, if necessary, and provide updates as to any modification to the COBRA provisions.

