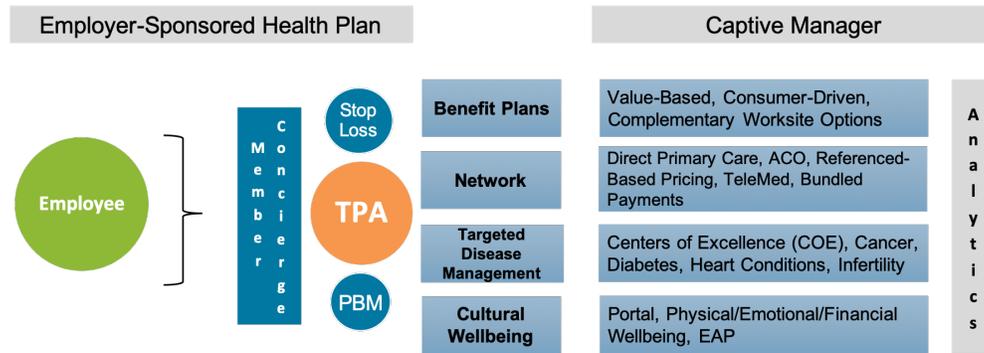


Bold Moves Pay Off for Members of OneDigital Captive Solution



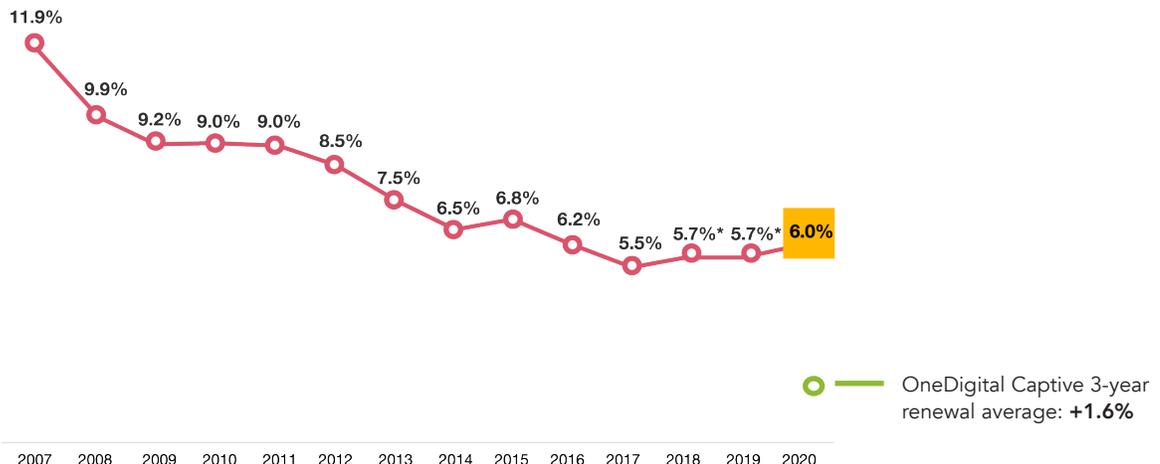
Like Warren Buffett and his company’s joint venture–Haven Healthcare, with JPMorgan Chase and Amazon—a frustrated group of small and mid-sized employers from across the country joined forces in 2018 to fight the status quo that often encapsulates employer-sponsored health plans. They came together to start the OneDigital Captive, a progressive, strategic approach for employers to gain transparency, flexibility, and control of their health plan. Combined with the stability and scale of a group captive, this solution creates a proactive opportunity to manage the risk associated with employer-sponsored health plans.

OneDigital deconstructed the traditional health plan model and rebuilt a new turn-key ecosystem that meets the objectives of employers and their employees. The result is a high-performing health plan that reduces risk, controls costs, improves the employee experience and saves money.



Customers who have joined the OneDigital Captive came from a number of different funding types, from fully-insured to self-insured, and many funding alternatives in between. Since 2018, customers who have joined the OneDigital Captive have collaborated on the captive’s by-laws and most importantly, programs that drive positive results for their respective health plans and businesses. Each has experienced phenomenal results to date. In fact, the average three-year renewal history from 2018–2020 has been +1.6%, well below national averages.

Figure 1: Medical cost trend has been flat for two years but is expected to increase in 2020

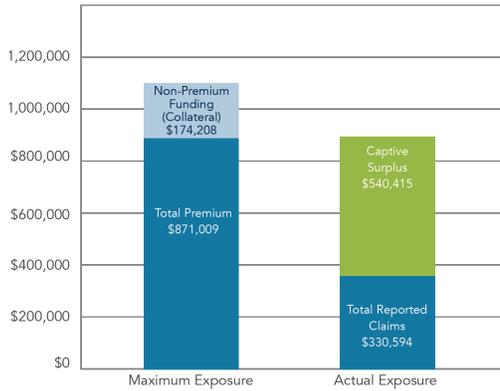


*HRI adjusted its estimates for 2018 and 2019 down from those previously reported.¹¹
Source: PwC Health Research Institute medical cost trends 2007-2020

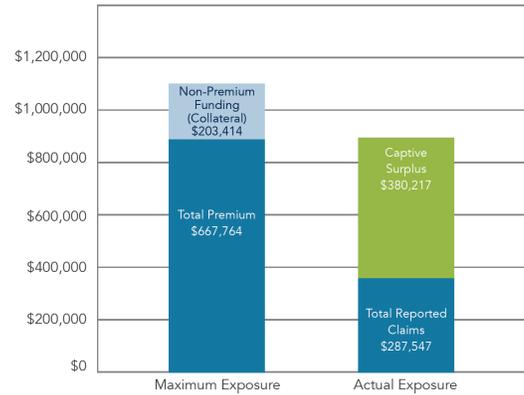
Bold Moves Pay Off for Members of OneDigital Captive Solution

In addition to providing better than market renewal results due to the group's collaboration and focus on proactive risk management, each customer within the OneDigital Captive received a surplus payment from the captive in year one. Another surplus is projected for 2019.

OneDigital Captive Experience – 2018 Treaty Year



OneDigital Captive Experience – 2019 Treaty YTD



The bottom line: Employers who toil in traditional, status quo health plan models can rarely control their runaway health plan spend. They are highly dependent upon insurance carriers and other market forces and often receive highly variable renewal increases from year to year. Customers in the OneDigital Captive have the opportunity to stabilize their health plan spend over time and experience significant results in a variety of ways, as illustrated above.

SUMMARY

The customers who joined the OneDigital Captive were frustrated with the unsustainable cost trajectory of the traditional markets. They wanted a longer-term, strategic plan to control healthcare costs and to improve benefits for their employees. Now, as they enter their third year in the OneDigital Captive, the members are seeing their claim costs go down, resulting in much better than market trends.

They received a large surplus as a result of the good claim experience in year one and are likely to receive another surplus in year two. They are better positioned to improve their benefit offerings, which in turn improves employee satisfaction and retention. The Chief Operating Officer from one of the captive members said it best:

"...The results to date have been incredible! Our annual budgets have been virtually flat for several... years and our claim experience is actually beginning to decrease. The monetary results and flexibility have afforded us the opportunity to improve the benefits that we offer to our employees. The success of the program has had a very positive impact on our business culture and performance. I wish we had taken this approach ten years ago!"

The OneDigital Captive is in the process of adding new employers looking to take charge of their benefits program and leverage it as an asset to drive their business forward. Learn more about how your organization can challenge the status quo by reaching out to your OneDigital consultant or visit onedigital.com/employer-solutions/captive-solutions to learn more.