

## Advantages of Self-funding

- Increased financial control – by funding claims to the maximum, the Town has a little over \$137,000 in reserves which would be carrier money if fully-insured. Reserves for a fully-insured plan can range from 10 to 30% on top of the premium. Fully-inured plans also are subject to a premium tax of 2% to 3%
- More detailed reporting so the Plan Sponsor can see where dollars are being spent, higher areas of utilization and medical management on high dollar claimants
- Greater flexibility in plan design to meet the needs of the employees. Self-funding is also exempt from state insurance laws which can mandate particular benefits
- Cost Management – by having a Wellness program in conjunction with the self-funded plan, education has been provided to the employees to make smart choices. Claims at the primary care level are 45% of all physician claims. Additionally, generic utilization accounts for 89% of the prescriptions filled
- In addition to the Wellness Program, our TPA provides us with a quarterly nurse for an Ask a Nurse program. This has enabled our staff to have regular blood pressure checks and opportunities for one on one discussion about any health concerns. The nurses also promote healthy lifestyles by distributing educational material on diet, exercise and smoking cessation. We were also able to have nurses on site to administer flu shots. The Wellness Nurse will also contact the designated Case Manager if she feels the member needs further support for a chronic condition. The Case Manager will contact the member and offer additional support and education.