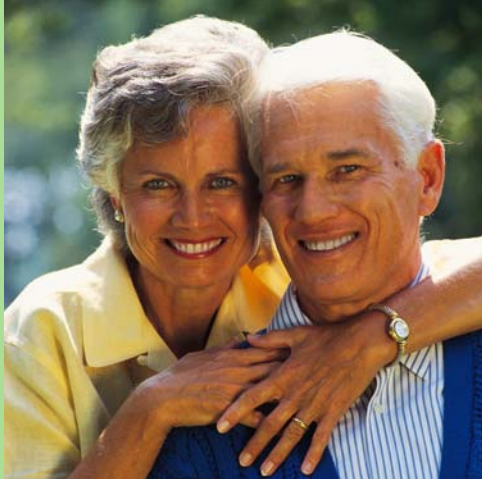


Employee Benefits



The RMSCO Approach to Employee Benefits...

At **RMSCO** we create solutions that are a perfect fit for your business.

We are highly experienced in the design and administration of insured and self-insured employee health care benefit programs. This expertise results in plans that deliver ultimate flexibility while targeting results that match your exact needs. These plans range from traditional indemnity to the popular Point-of-Service (POS).



The **RMSCO** Difference— Keeping an eye on your bottom line.

The RMSCO approach to strategic risk management means helping you build a strong balance sheet while never compromising the need to provide a full complement of benefits for valued employees. That includes freedom of choice regarding physicians, hospitals and other health care providers. We make health benefits easy to understand with a variety of options. Our solutions are designed to be user-friendly, emphasizing an accessible and comprehensive provider network.

Claims Administration and Support:

Once these solutions are in place, we become your daily partner, monitoring programs for peak effectiveness, and administering claims in a timely manner. We support your plan completely, including ongoing education and being responsive to changes that affect your industry.

Commitment to Technology.

RMSCO makes continuous investments in the latest technology for administration and reporting. *rSolutionz* gives employees, members, and providers real time access to eligibility, claim and coverage information. *Mindset*, our analytical and reporting tool allows you to slice, dice and drill down to specific benefit information to help you better manage your program costs.



Products and Services.

RMSCO designs, evaluates and administers employee benefit programs.

- Flexible Spending Accounts
- COBRA / HIPAA Administration
- Plan Design Consultation
- Alternative Funding Options
- Dental Programs
- Stop Loss
- Self-Insured Feasibility Studies
- Point-of-Service (POS) Plans
- Group Life / AD & D
- Group LTD
- Quarterly Newsletters
- Plan Document / SPD Creation
- Travel Accident
- Executive Reviews
- Cafeteria Plans
- Long-Term Care
- Vision Programs
- HRA
- HSA

Employee Benefits

Flexibility.

A key advantage to self insuring is the ability to design a program that fits your needs and employee population. RMSCO does not sell a product. As a third party administrator, we consult with you to use our robust claim platform to deliver the benefits that you want to provide.

Prescription Benefit Management.

Today, more than ever, prescription medicine represents a large portion of plan expenses. We work with several of the nation's leading Prescription Benefit Managers (PBM) to administer integrated medical and prescription drug cards. The benefits of these programs are:

Simplification of Claims Administration:

- Unlike many third party administrators, RMSCO receives claims in NCPDP format and loads them into our claim system for payment. Claims are allocated to specific members which allows us to recover prescription costs from stop loss carriers and report back information to you on these expenses.

Benefit Flexibility:

- We offer unlimited cost effective options, from a basic mail order only to the more sophisticated formulary



Managing Health, Managing Costs.

Disease Management:

For people with chronic health conditions there is *Managing for Tomorrow*, a disease management program. This program of condition-specific education includes tools that can lower costs by helping participants avoid complications due to their health conditions.

Medical Management:

We also have a number of approaches to Medical Management. These programs are designed to assist self insured employers to manage health benefit expenses. Our staff of nurse professionals work with you, the member, and the member's physician to provide care that is:

- Medically necessary
- Clinically appropriate
- Cost effective

The RMSCO Advantage.

- Interactive Website
- Flexible Plan Designs
- Dedicated Customer Services
- On-Line Repricing Capability
- Automated Claims Processing
- Prompt & Accurate Claims Turnaround
- Comprehensive Managed Care Programs
- Access to Preferred Provider Networks Nationwide
- Complete Coverage Flexibility & Enrollment Options
- Standard / Customized Financial & Utilization Reports
- Ability to Integrate with Multiple Pharmacy Benefit Managers

RMSCO, Inc.

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Frequently Asked Questions

What are the benefits of Self-Insurance?

Employers find self-insurance appealing because they maintain better control over their plan. Some key advantages include:

- Faster payment of valid claims;
- Better evaluation of questionable claims;
- Improved employee relations with superior claim service;
- Better coordination of benefits;
- Reduction, avoidance or elimination of over-reserving for claims;
- Cash flow improvement since premium is not paid in advance to an insurance carrier. Investment income which is earned will benefit the health plan rather than the insurance carrier;
- No state premium taxes, which represent a percentage of monthly premium; and
- With the exception of mandates under Federal law and regulations, Plan Design can be tailored to better fit the needs of employees and employers rather than be structured to conform to a myriad of coverages imposed by State laws.

With what laws must the Self-Insured employer comply?

State laws cannot impose requirements on welfare benefit plans that impact on operation and design. The Self-Insured Plan does, however, come under all relevant Federal legislation such as Employee Retirement Income and Security Act (ERISA), Health Information Portability and Accountability Act (HIPAA), the Consolidated Omnibus Budget Reconciliation Act (COBRA) and the Americans with Disabilities Act (ADA). A self-insured Plan must also comply with certain laws as a first party payor such as New York Health Care Reform Act (HCRA). RMSCO, Inc. can provide review and guidance in this area and in structuring of your Plan Document.

What is Stop Loss coverage?

Stop Loss coverage is insurance sold to Self-Insured health Plans to protect against financial loss due to unexpected large losses or excessive claim frequency. There are two types of coverage: Specific and Aggregate.

Individual Stop Loss Insurance shields against the threat of “shock loss” by limiting claim liability with respect to any one Plan participant. It provides prompt reimbursement if claims exceed a specified amount per participant, all cause deductible amount.

Aggregate Stop Loss Insurance protects against unusual fluctuations in claim frequency. When the annual claim limit for all participants exceeds a predetermined level, Aggregate Stop Loss Insurance reimburses the Self Insured employer for all claims exceeding that level during the agreement year.

Will Self-Insuring require a redesign of my existing health Plan?

No change will be required. Any health Plan changes, however, will have to be set forth in a Plan Document. RMSCO, Inc. can assist you in making changes that are most appropriate to your goals and employee expectations. It is recommended that no substantial changes occur in the first year of self-insuring.

How do I handle employee contributions and claim administration in a Self-Funded Plan?

Employees can pay for medical coverage on a pre-tax basis by payroll deduction. A large Self-Insured employer can either administer the Plan internally or have a Third Party Administrator (TPA) administer the Plan. Only very large employers have the resources to self-administer. Insurance companies do offer ASO programs, but generally cannot provide flexibility and personalized service.

The broad range of services offered by a TPA should include Plan Design consulting, Cafeteria Plan Design, contracting for Stop Loss coverage, claim administration, the availability of health provider networks, contracting with Utilization Review companies, writing Plan Documents, client reporting and COBRA administration.

Will other benefits, such as Life Insurance, be affected by Self-Insuring the health Plan?

No. Life Insurance and other benefits will not be affected.