



Small Business Health Insurance

A Guide to Choosing the Best Plan

As a small business owner, it can be hard to offer a comprehensive benefits package on a budget. This workbook will help you explore solutions and consider the benefits you want for your employees.

We'll talk about the kinds of plans we offer and how they're different from each other. At the end, fill out our worksheet to use as a reference tool and give to an agent to get started on a personalized plan for your business.

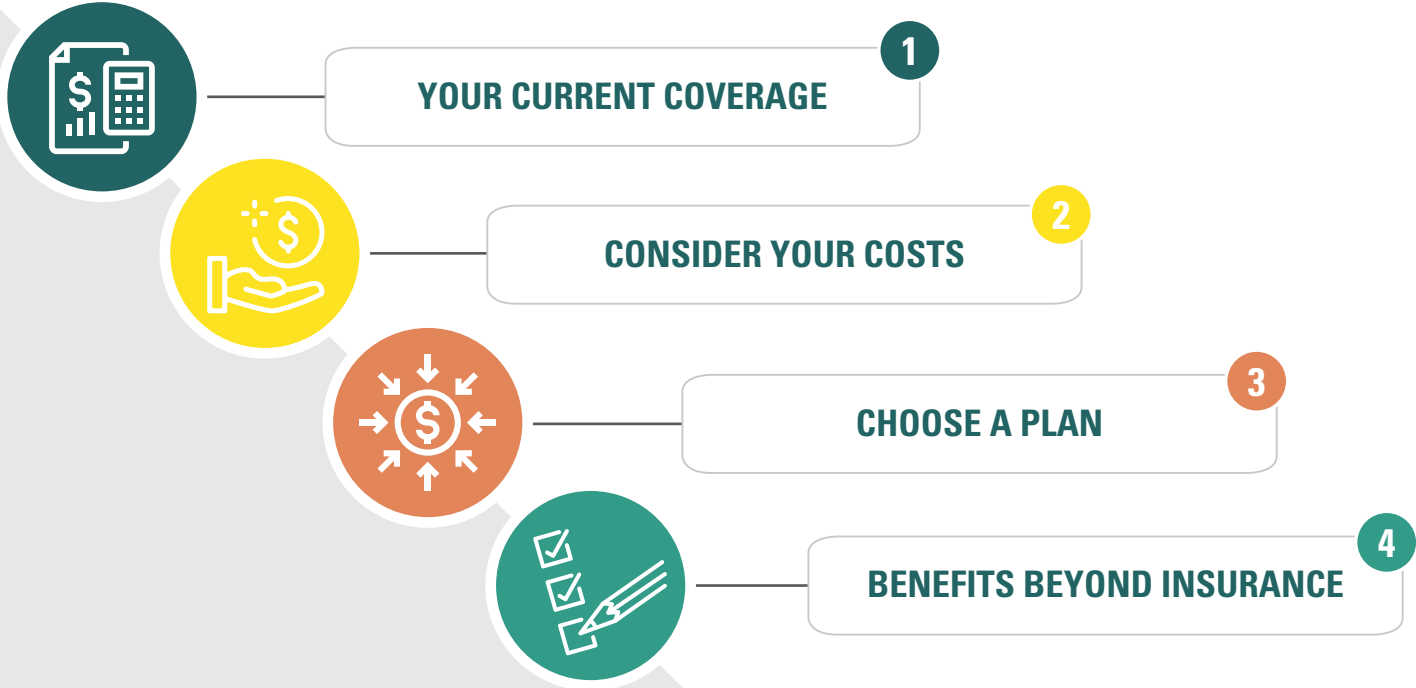
Plan types and options will depend on the size of your business.



2-50
EMPLOYEES:
Small group



51+
EMPLOYEES:
Large group





STEP 1 Your Current Coverage

Consider these questions:

How many employees do you have?

What is your goal for coverage in the coming year?

Do you have insurance?

How much are you currently spending each year?

What cost are you willing to contribute to each employee's plan?

STEP 2 Consider Your Costs

These factors will affect how much you pay for health insurance.



Plan type

Traditional co-pay vs. high deductible health plan



Area

Many insurance companies divide the states they service into rating areas based off of population and health care costs



Demographic

The employer group's age makeup



Percentage

Decide on the percentage of premium you designate to pay as the employer



These factors **WON'T AFFECT** how much you pay for health insurance:

- Genders of employees
- Current or past medical history or pre-existing conditions

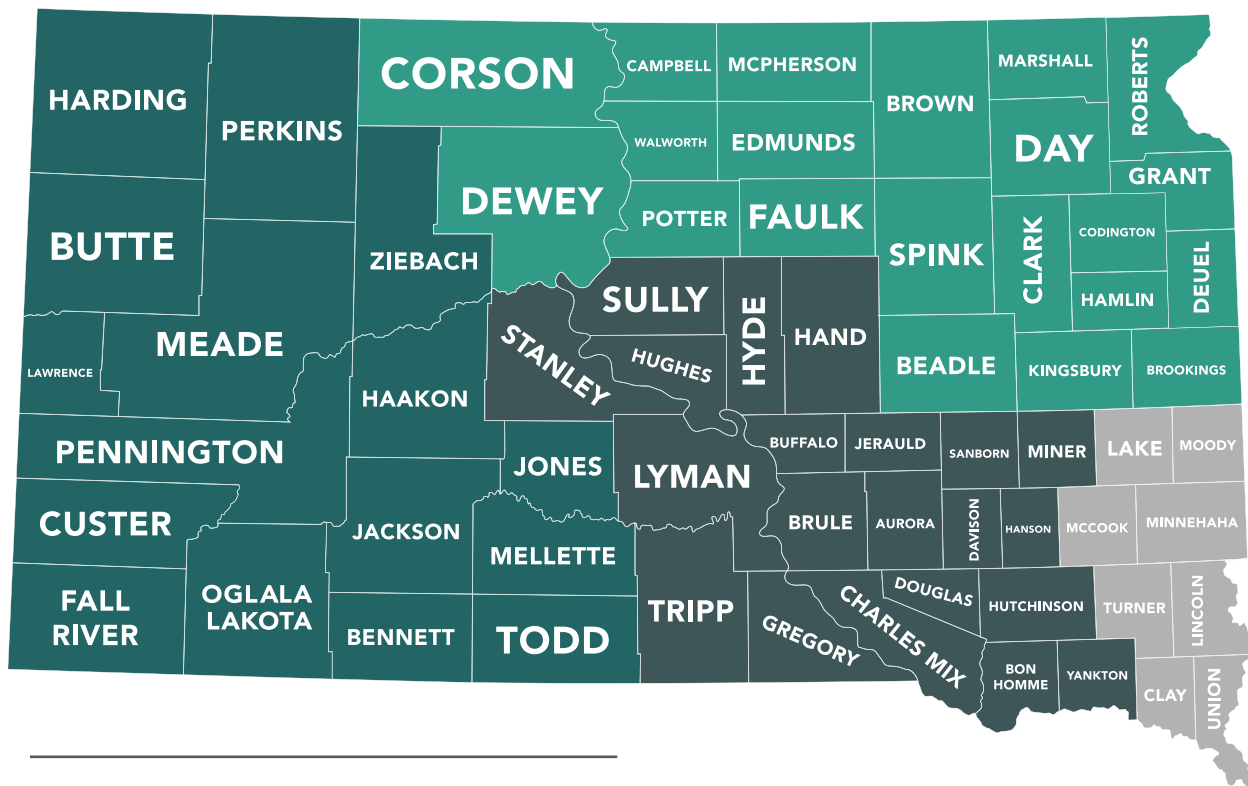
Rating structures

Rating structures are determined using a standard calculator by the federal government based on **actuarial value**. These values use claims data from the standard population and are categorized according to metal with the gold providing the lowest average medical out-of-pocket spending.

Actuarial value: The percentage of total average costs for covered benefits that a plan will cover.*

*Source: healthcare.gov

Rating Areas 1 2 3 4



Why that's important

The average is based on a standard population, For example, based on a silver plan the standard population will pay an average of 30% in one year in out-of-pocket costs.

But this doesn't guarantee each individual member will fall within that average. One member may only need preventive care while another member may be diagnosed with cancer. The member with cancer will pay more than the average 30% while the member who only used preventive care will be below 30%.

Our plans are categorized according to three categories and must fall within this payment structure.

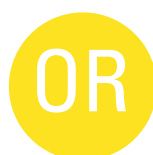
	Insurance company pays	Member pays
BRONZE	60%	40%
SILVER	70%	30%
GOLD	80%	20%

STEP 3 Choose a Plan

You have two main plan types to choose from with various coverage levels.

Traditional Co-pay Plan:

The employees pay fixed co-pays, deductibles and coinsurance when they need to use a service. These payment amounts will vary based on the plan type. For instance, some plans have a higher premium, but the deductible and coinsurance will be lower.



High Deductible Health Plan:

The employee pays the full cost for health services and drugs until the deductible is met. These plans typically have a lower premium and a higher deductible, but once the out-of-pocket maximum is reached all costs are covered. This plan can be paired with a tax advantage Health Savings Account to cover expenses.

Let's compare

Services	Traditional Co-pay Plan Example: Avera 2000	High Deductible Health Plan Example: Avera 3000 HSA-Eligible HDHP
PREVENTIVE CARE	Free	Free
PRIMARY CARE SERVICES	\$25 co-pay	Deductible
SPECIALIST VISIT	\$75 co-pay	Deductible
URGENT CARE	\$25 co-pay	Deductible
LAB AND X-RAY	\$25 co-pay	Deductible
HOSPITAL SERVICES	Deductible/coinsurance	Deductible
EMERGENCY	Deductible/coinsurance	Deductible
MATERNITY	Deductible/coinsurance	Deductible
CHIROPRACTIC	\$25 co-pay	Deductible
AVERA HEALTH PLANS VIRTUAL VISITS	Included at no cost to member	\$69
MENTAL HEALTH	Co-pay/deductible/coinsurance	Deductible
PHARMACY	Co-pay/coinsurance	Deductible
OUT-OF-POCKET MAXIMUM	\$6,250 (Individual)	\$7,500 (Individual)
DEDUCTIBLE	\$2,000 (Individual)	\$3,000 (Individual)

Example based on 2023 plan options

Depending on how large your company is and how many employees will be enrolled in the health insurance plan, you can offer employees more than one plan to choose from.

1 – 2 employees: 1 PLAN

3 – 9 employees: 2 PLANS

10 – 24 employees: 3 PLANS

25 – 50 employees: 4 PLANS

Costs will differ according to what plan type you offer. Differences in deductible, co-pay, coinsurance and out-of-pocket maximum for each plan type will impact the cost of the plan selected.

Avera network

Avera Health Plans' network includes all Avera facilities and providers in addition to many independent providers. Our close relationship with Avera helps provide seamless care using a system of specialists, clinics and world-renowned telemedicine services to connect you to the care you need when you need it.



What's covered

All plans are in regulation with the ACA guarantee coverage of

10 essential benefits:

- Outpatient care
- Emergency services
- Hospitalization
- Pregnancy, maternity and newborn care
- Mental health and substance use disorders
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness care and chronic disease management
- Pediatric services

Pharmacy

Our pharmacy plan has six tiers with Tier 1 offering the highest value.

TIER 01	PREVENTIVE DRUGS
TIER 02	GENERICS
TIER 03	PREFERRED BRAND DRUGS
TIER 04	NON-PREFERRED BRAND DRUGS
TIER 05	VALUE SPECIALTY DRUGS
TIER 06	SPECIALTY DRUGS (BRAND AND GENERIC)

STEP 4 Benefits Beyond Insurance

Once you figure out your plan design, consider the perks your plan offers. Most plans offer some value-added benefits at no cost. This is in addition to ancillary benefits that you offer for an additional fee. You can buy these individually or in bundles.



Ancillary Products

- Dental insurance
- Vision insurance
- Short-and long-term disability
- Employee Assistance Program
- Critical illness
- Life and AD&D insurance



Value-Added Services

- Membership discounts at select fitness businesses such as GreatLIFE Golf & Fitness Club and Avera McKennan Fitness Center
- 24/7 Avera Health Plans Virtual Visits for simple illness with no co-pay*
- Access to Employee Assistance Program (EAP)
- LiveNOW well-being technology

*For most members. Some limitations apply. NOTE: IRS guidelines indicate that members with HSA-eligible plans may be subject to tax penalties if they use the free virtual visits. If you have an HSA-eligible plan, you may use your HSA or Flex spending dollars for this service.

Worksheet



Now that you know your options let's find a solution. As your partner, we're dedicated to providing you the best benefit plan for your budget.

CURRENT COVERAGE

Let's get started by revisiting your current coverage and plan.

Number of employees (full-time and part-time)

Yearly cost for insurance

Current coinsurance percentage

Current plans offered

THE BASICS

Check which type(s) of insurance plan(s) you want to offer employees.

Co-pay traditional plan

High-deductible health plan

Amount you wish to pay for employees' insurance premium

(percentage or flat dollar amount)

COMES WITH PLAN*

Virtual visits

Fitness center discounts

LiveNOW well-being program

Employee Assistance Program (EAP) visits

*Value-added services included in South Dakota ACA small group health insurance plans

ADDED VALUE NEEDS

Pharmacy services

Vision

Multiple plan options

Employee Assistance Program

Flexible Spending Account/
Health Savings Account options

Short- and long-term disability

Dental

Life and AD&D insurance

LiveNOW well-being technology (add-on programs)

Worksheet

QUESTIONS

What is your goal in offering health insurance? (employee retention, tax benefits, etc.) _____

Do you expect any company changes in the next year that may affect your decisions? _____

Y / N I have employees working outside of my coverage area and need a wider network.

Y / N I want to offer affordable dependent coverage.

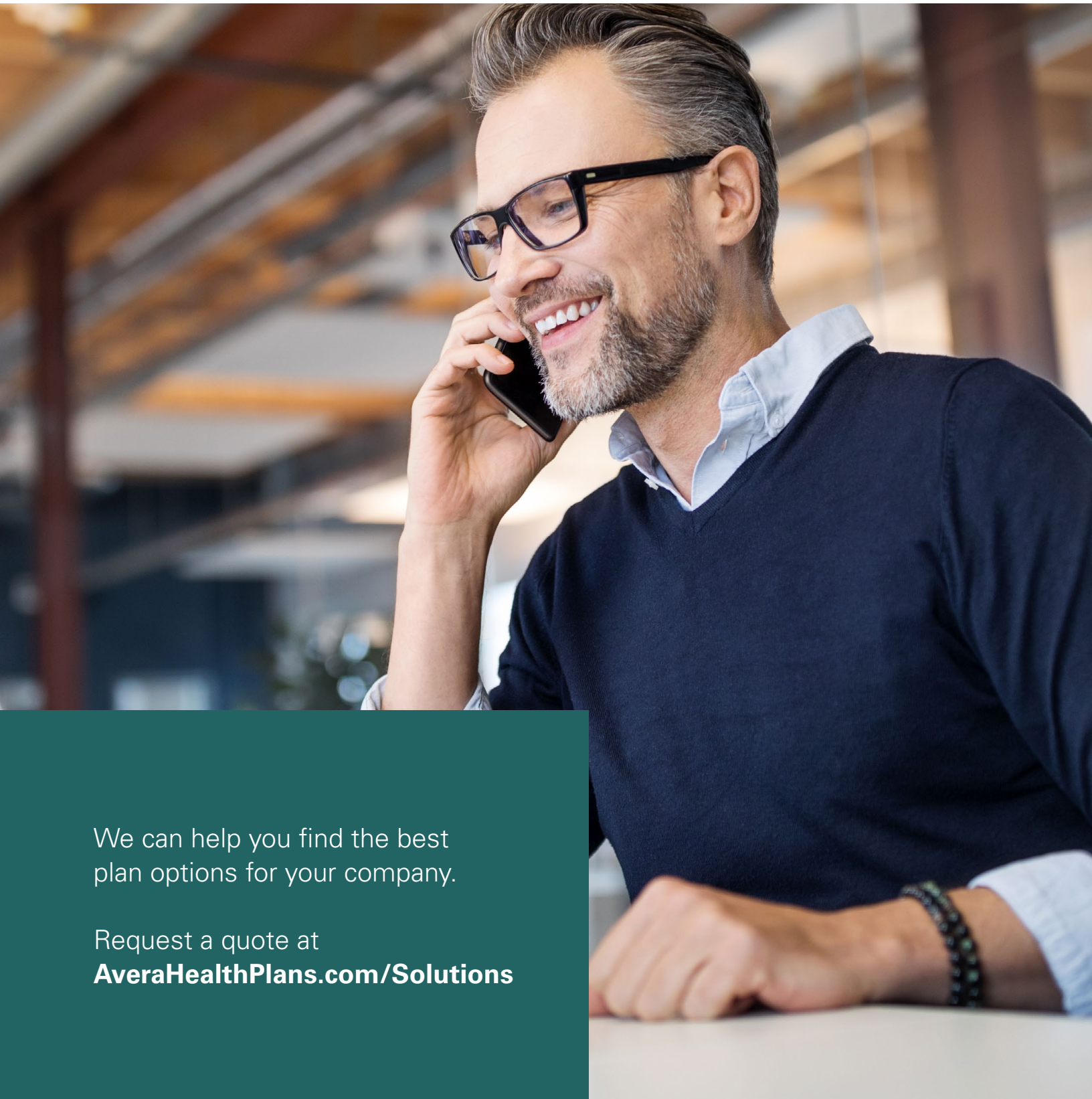
Y / N Wellness benefits are important to me.

Other questions/notes to discuss with your agent: _____

**WHAT
NOW?**

Take this worksheet to your agent or find an agent at [AveraHealthPlans.com](https://www.AveraHealthPlans.com)

Get a Quote.



We can help you find the best
plan options for your company.

Request a quote at
AveraHealthPlans.com/Solutions