



HEALTH INSURANCE FOR SMARTIES



“OFF TO A
HEART
TRANSPLANT”





'HEALTH INSURANCE IS
MORE CONFUSING THAN
A HEART TRANSPLANT'



**HEALTH INSURANCE IS DOMINATED
by five companies.**



**BlueCross
BlueShield**

 **UnitedHealthcare**



Anthem

**The
“BUCAAs”**

THE BUCAA'S STOCK PRICE GROWTH



	10-Year Stock Growth	Net Income (Dec. 2018)
Anthem/Blue Cross	566%	\$5.4 B
United Healthcare	961%	\$17.8 B
CIGNA	857%	\$3.6 B
Aetna	766%	\$2.0 B

SOURCE: Morningstar, FactSet, Financial Times. 2018.

SOURCE: Anthem Q4 Earnings Report. 2019.

SOURCE: United Healthcare Q4 Earnings Report. 2019.

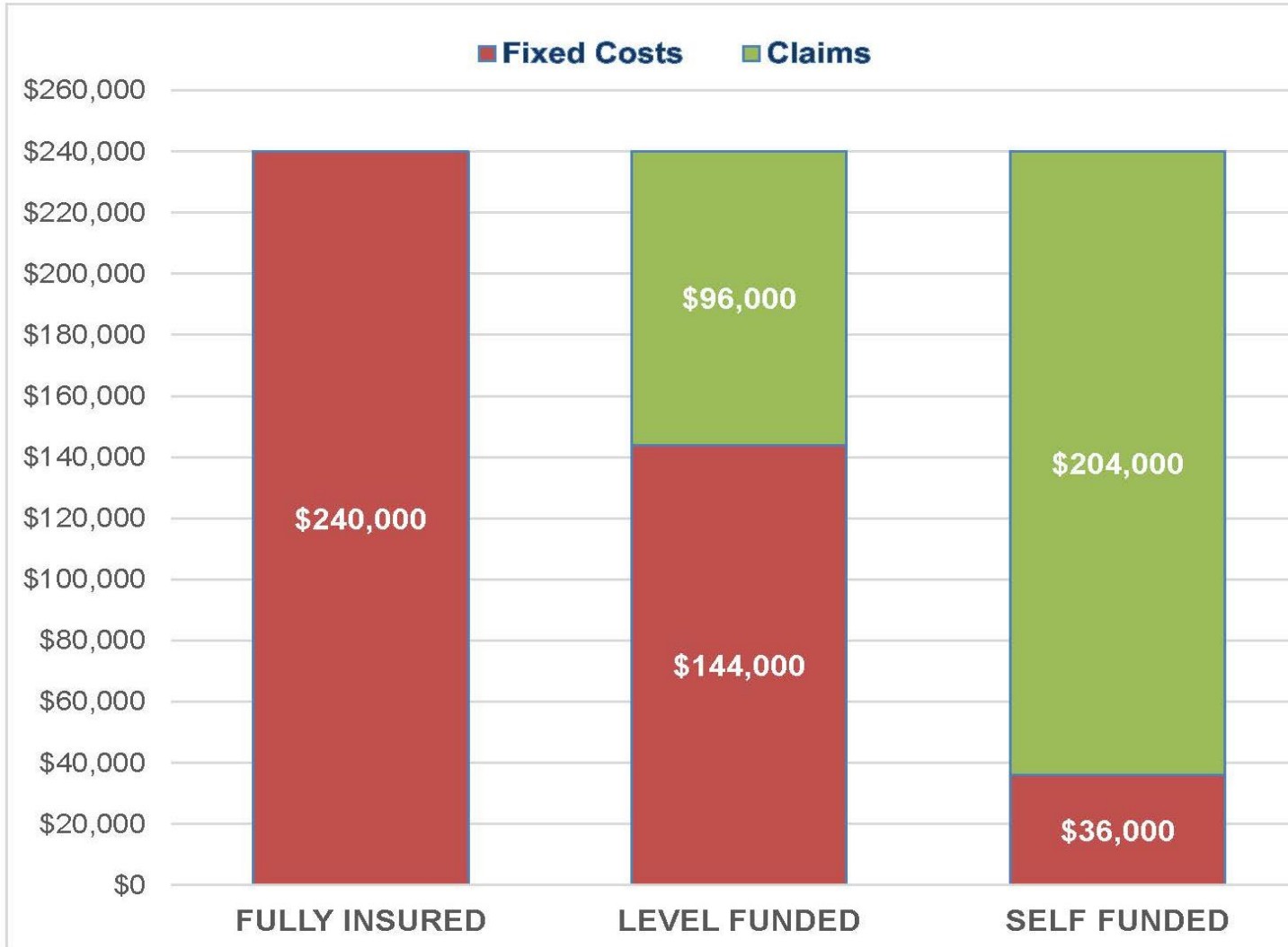
SOURCE: Cigna Q3 Earnings Report. 2019. Prorated for full year.

SOURCE: Aetna Q4 Earnings Report. 2019.



STRATEGY #1 FUNDING METHOD

	Fully Insured	Level Funded	Self Funded
Fixed Costs	\$240,000	\$144,000	\$36,000
Claims		\$96,000	\$204,000
Annual	\$240,000	\$240,000	\$240,000



HEALTH INSURANCE FUNDING

TIP #1



If possible, Get out of fully insured



Level Funded usually at 5 enrolled employees



Self Funding can start at 20 enrolled employees



STRATEGY #2 PRESCRIPTION DRUGS

PRESCRIPTION BENEFIT 'PLAYERS'

PRESCRIPTIONS
ACCOUNT FOR
20% - 50% OF
MEDICAL
CLAIMS*

Employer

Insurance Company

Pharmacy Benefit Manager (PBM) ←

Pharmacy

Pharmaceutical Wholesaler ←

Drug Manufacturer

Fortune 100 Companies List (2022)

Companies	Sector
1 Walmart	Retail
2 Amazon	Retail
3 Apple	Technology
4 CVS Health ←	Health Care
5 UnitedHealth Group ←	Health Care
6 Exxon Mobil	Energy
7 Berkshire Hathaway	Financial
8 Alphabet	Technology
9 McKesson ←	Health Care
10 AmerisourceBergen ←	Health Care
11 Costco Wholesale	Retail
12 Cigna ←	Health Care
13 AT&T	Telecommunication
14 Microsoft	Technology
15 Cardinal Health ←	Health Care

BIG MONEY IN
PRESCRIPTIONS



TIP #2

Doctors DO NOT
know what drugs
are covered

‘Offload’
expensive Brand &
Specialty drugs



STRATEGY #3 MENTAL HEALTH

MENTAL HEALTH EFFECTS

MENTAL HEALTH
ISSUES COST
EMPLOYERS
\$210 BILLION
DOLLARS

1 in 5 adults receive treatment

17% of adults take medication

Physical issues are 2-3 X more expensive

35% Reduction in workplace productivity



TIP #3

Virtual Medicine – Family coverage often less than \$20 PEPM

Unlimited MD visits at NO COST

Weekly therapy sessions at NO COST



STRATEGY #4 CONSUMERISM

HSA - HEALTH SAVINGS ACCOUNT

“EMPLOYEES
WILL SPEND
THEIR MONEY
DIFFERENTLY
THAN YOURS”

HSA is NOT an insurance plan

HSA is not ‘use it or lose it’

HSA’s have ‘triple tax advantage’

Employees will ‘shop’ around

HSAstore.com



1. GO LEVEL OR SELF FUNDED
2. REDUCE PRESCRIPTION COSTS
3. ADDRESS EMPLOYEE MENTAL HEALTH
4. ADD AN HSA & GET YOUR EMPLOYEES THINKING AS CONSUMERS



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