

# 1

## Costs for Health Insurance are on the Rise and there's no End in Sight for Employers.

In fact, employers pay the majority of a worker's health insurance coverage, with an average annual premium for family coverage of \$12,106 in 2007, employees fund approximately \$3,281 of the average family policy, per the Kaiser Family Foundation.



# 2

## 67% of Employers, Unions and Trusts Currently Operate Self-Funded Health Plans to Reduce Costs and Improve Quality.

Self-funded health plans have been around for more than 30 years, largely made feasible by the passing of ERISA in 1974, and any organization with more than 50 employees or members can reap the benefits of a self-funded plan with third party administration.



# P5

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**5 Things** you should know  
about self-funding a health plan



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# 3

## What Exactly is Self-Funding?

Self-funding means an employer pays for the medical costs of employees out of its own health plan assets, rather than paying a fixed premium to an insurer for health insurance coverage. Usually this is done in conjunction with medical stop loss insurance, to protect against unforeseen risks and limit the employer's liability on catastrophic claims.

# 4

## What are the Primary Benefits of a Self-Funded Health Plan, in Addition to Cost Containment?

The positive results from self-funding can be numerous, including greater flexibility in plan and benefit design each year, physician networks tailored to employee demands, enhanced reporting, streamlined management tools, health education and medical case management, real-time claims tracking, and administration service and support - all in addition to potential cost savings.

# 5

## What is the First Step in Assessing if Self-Funding is Right for an Employer?

Partner with a third party administrator that's experienced, knowledgeable and reliable in building and administering self-funded plans. They should be able to review your current operations to determine if self-funding is optimal, and build a plan to fit individual employer needs.

### Consider The Professionals at P5 Health Plan Solutions

P5 is the country's leading third party administrator of self-funded health plan solutions. P5 can help you determine the viability of self-funding and P5 has the expertise and proven track record to successfully implement health plan solutions. Let us know how we can help you. P5, your Health Care Experts.

**Contact P5 Health Plan Solutions today: 1-800-551-4049**

