

Kaiser Permanente Level Funded

A self-funded health care solution



With **Level Funded**, small businesses get more financial protection and visibility into health care costs.¹ Employees also get access to our value-based integrated care model – for healthier outcomes and more affordable care.



Stable and predictable: A set monthly payment covers administrative fees, Stop Loss insurance, and maximum claims liability – regardless of utilization.²



Limited risk: Integrated Stop Loss insurance provides timely reimbursement to protect you from unexpected large claims costs.



Surplus credits:³ If claims are lower than expected, a surplus credit can be applied toward next year's plan costs.



Insight into costs: Understand your population's total cost with monthly claims reporting, including a high-cost claims report.

Advantages of Kaiser Permanente Level Funded

- **Value-based care model** – Our focus on prevention and coordinated, evidence-based care has made us a national leader for better outcomes and manageable costs.
- **Total health solutions** – Employees have access to chronic care management, 24/7 virtual care,⁴ wellness coaching, mental health and wellness tools, and healthy lifestyle programs at no to low cost.

Level Funded is ideal for businesses with a:

- Small to midsize organization⁵
- Stable and healthy workforce
- Good financial standing

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How Level Funded works

Your set monthly payment includes fixed costs (administrative services and Stop Loss) and claims costs, with the opportunity for a credit if claims costs are better than expected.

Your annual reconciliation occurs after the end of the contract year. If a surplus results, then your surplus credit will be applied toward a future invoice after you renew.⁶ If a deficit results, then Stop Loss covers the excess claims costs.

Total monthly payment



Year-end Level Funded reconciliation and settlement examples

	Claims costs lower than expected	Claims costs higher than expected
Total claims funded	\$250,000	\$250,000
Actual total paid claims	(\$200,000)	(\$290,000)
Surplus/deficit	Surplus: \$50,000 (based on the surplus share option selected) ^{3,6}	Deficit: -\$40,000 (You don't pay more. Stop Loss insurance covers the gap.)

Your plan options are tailored for your business

- ✓ Choose from a variety of plans, deductibles, and medical and pharmacy benefits.
- ✓ Select either 50% or 67% surplus share options.
- ✓ Enroll up to 6 plans.⁷
- ✓ Pair your medical plans with a health reimbursement arrangement (HRA), health savings account (HSA), or flexible savings account (FSA) administered through Kaiser Permanente.⁸

To learn more, visit kp.org/levelfunded/mas, contact your broker, or call Kaiser Permanente at

1. Kaiser Permanente Insurance Company (KPIC) provides administrative services and underwrites Stop Loss insurance for the Kaiser Permanente Level Funded program. 2. Monthly payment includes run-out to cover claims costs after a Level Funded Plan is terminated. 3. Surplus credit is only available if the Plan Sponsor renews their administrative services contract with KPIC. There is no guarantee of plan performance or return of surplus. 4. When appropriate and available. 5. Level Funded is not offered in all Kaiser Permanente states. You must have the required minimum number of enrolled employees to participate in the Kaiser Permanente Level Funded program. 6. Actual total paid claims are net of any individual Stop Loss reimbursement. 7. You can select up to 6 plans with no more than 2 out-of-area (OOA) preferred provider organization (PPO) or point-of-service (POS) plans (if applicable), regardless of your group's size. Employers with fewer than 20 employees are encouraged to pick no more than 5 plans. Selecting more than 3 EPO-like plans – exclusive provider organization (EPO), deductible exclusive provider organization (DEPO), Everyday Care (EDC), or high deductible health plans (HDHP) – or more than 2 choice plans (POS, PPO, and OOA) may add a risk load to the premiums. 8. Additional monthly administrative fees will apply with a Kaiser Permanente Health Payment Account solution.