

# 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.<sup>1</sup> Employees also get access to our value-based integrated care model – for healthier outcomes and more affordable care.

## A POWERFUL PAIRING: LEVEL FUNDED AND VALUE-BASED CARE

- **Stable and predictable:** A set monthly payment covers administrative fees, stop-loss insurance, and maximum claims liability – regardless of utilization.<sup>2</sup>
- **Limited risk:** Integrated stop-loss insurance provides timely reimbursement to protect you from unexpected large claims costs.
- **Surplus credits:**<sup>3</sup> 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.
- **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 a wellness incentive program,<sup>4</sup> chronic care management, 24/7 virtual care, 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  
organization

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. If a deficit results, then stop-loss covers the excess claims costs.

**TOTAL  
MONTHLY  
PAYMENT**

**ACTUAL TOTAL CLAIMS PAID**

**STOP-LOSS INSURANCE**

**ADMINISTRATIVE EXPENSES**

**POTENTIAL SURPLUS**

If claims costs are lower than expected

	CLAIMS COSTS LOWER THAN EXPECTED	CLAIMS COSTS HIGHER THAN EXPECTED
<b>Total claims funded</b>	\$250,000	\$250,000
<b>Actual total paid claims<sup>5</sup></b>	(\$200,000)	(\$290,000)
<b>Surplus/deficit</b>	<b>Surplus: \$50,000</b> (based on the surplus share option selected)	<b>Deficit: –\$40,000</b> (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.<sup>6</sup>
- Pair your medical plans with a health reimbursement arrangement, health savings account, or flexible spending account<sup>7</sup>

**Questions? Contact Kaiser Permanente at [levelfunded@kp.org](mailto:levelfunded@kp.org) or 855-336-4995 or call your broker.**

**1.** Kaiser Permanente Insurance Company (KPIC) provides administrative services and underwrites stop-loss insurance for the Kaiser Permanente Level Funded program. 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. **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 employer renews their contract with KPIC. There is no guarantee of plan performance or return of surplus. **4.** This is not insurance and is a voluntary program. The rewards program is open to all Kaiser Permanente Level Funded members 18 and older. However, it is not included with PPO plans. The rewards program may be discontinued at any time. **5.** Actual total paid claims are net of any individual stop-loss reimbursement. **6.** 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), Kaiser Permanente 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. **7.** Additional monthly administrative fees will apply with a Kaiser Permanente Health Payment Account solution.