

ENROLLMENT-BILLING  
INDIVIDUAL DISA  
LONG TERM CARE  
MEDICAL

**CORPORATE HEALTH SYSTEMS, INC.**  
*Your One-Stop Benefits Management Company*



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**BENEFITS MANAGEMENT  
SERVICES**

OWNER PERPETUATION  
401K DENTAL  
DEFERRED COMPENS

## CORPORATE HEALTH SYSTEMS...MORE SERVICE, LESS COST

Corporate Health Systems is unique among benefits management companies in our ability to offer our customers "one-stop" service.

The benefits marketplace is a dynamic environment characterized by rapid changes that continuously impact employer coverage options. Staying current with these changes is always a challenge. Hidden administrative costs are also a big concern. While most benefits management companies offer consulting services to assist in selecting benefits packages, they typically defer much of their administrative implementation work to third-party providers. Their customers then end up paying the third-party provider mark-ups on services, which results in added costs.

At Corporate Health Systems, we utilize our own in-house staff, providing our customers with a full complement of consulting services, benefits administration, enrollment, claims analysis and wellness management services. This comprehensive, one-stop service offering has increased our level of expertise, accelerated response times and reduced customer costs. We invite you to experience the difference.



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### OUR PHILOSOPHY

Corporate Health Systems' business philosophy is simple and straightforward – we will act in our customer's best interest at all times, delivering a performance that contributes directly to the achievement of each customer's goals. Not only is it about getting the job done, it's about getting it done in a manner that exceeds customer expectations. We are fully committed to this principle.



Robert F. Hanlon  
President

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## AN INTRODUCTION TO CORPORATE HEALTH SYSTEMS

Corporate Health Systems is unique in our ability to support every aspect of our customer's health and benefit needs, from program development to program administration. The net result is lower cost, faster response time and improved quality. We offer a full complement of benefits, including:

- Medical
- Dental
- Wellness programs
- Group & supplemental life
- Short-term disability
- Long-term disability
- Individual disability
- HRA
- HSA
- Long-term care
- Retirement planning
- 401K
- Owner perpetuation
- Buy-sell
- Deferred compensation



Corporate Health Systems' seasoned staff has offered employee health and benefits services to employers for over twenty years. We also work with business owners, helping them establish investment strategies that are consistent with their goals. Our services fall within the following primary areas:

### **BENEFITS CONSULTING**

Our staff of consultants is experienced in assessing the strengths and weaknesses of an employer's existing benefits program and in developing new, optimized programs that more closely fit their needs and budget. After gaining an understanding of all components within their current benefits package, the associated costs and the budget they would like to maintain, we redesign a comprehensive benefits package to fit that budget. Utilizing sophisticated software technology, our experienced consultants develop benefit packages that address each customer's specific needs and budget based on employer demographics and experience. We then assist them in maintaining the benefits package to ensure they stay within their budget.



## BENEFITS ADMINISTRATION

Once the benefits package is designed, priced and finalized, we offer a variety of services to assist employers with the administration of their package. These services range from completely hands-free, outsourced benefits administration, where we take full responsibility for servicing and supporting their program, to providing selective internal support to customers in any of the following areas:

- Enrollment, billing and document distribution
- Cobra and State Continuation
- Flex administration
- Special Flex participation enhancement campaign
- Health Savings Account (HSA) administration
- Health Reimbursement Arrangement (HRA) administration
- Retiree billing administration
- FMLA administration
- Online HR reference desk
- Employee "call center"
- Online enrollment

Utilizing sophisticated software technology, our experienced consultants develop benefit packages that address each customer's specific needs and budget, based on employer demographics and experience. We then assist them in maintaining the benefits package to ensure they stay within budget.



## RETIREMENT/SUCCESSION PLANNING

As a business owner, your disability or retirement has significant implications for your company, your employees and your family. Experience validates that business succession planning is the key to minimizing any disruptions these events might have on the business. Whether you intend to retain or sell the business upon retirement, you need expertise to help you structure an arrangement that maximizes the tax and financial benefits to you and your family, while insuring that the business has adequate funding to sustain operations in your absence. Our specialists in retirement/succession planning have the expertise needed to assist you in developing sound planning strategies, including buy/sell agreements (such as stock redemption and cross-purchase agreements), key person life insurance, individual disability insurance, overhead expense insurance, and much more. We work with you and your advisors to ensure a smooth transition.

Your employees also have a vested interest in taking the right steps to protect and grow their company and personal retirement plans. Corporate Health Systems retirement planning experts can work with your employees to synchronize risk levels on both their personal and company retirement plans, giving them a more balanced retirement portfolio.

## THE CHS BENEFITS TEAM

At Corporate Health Systems, finding cost-effective solutions that meet and exceed customer requirements is our mission. To accomplish this, we assign a team of professionals to every customer account based on each customer's needs. Team members may include any or all of the following groups:

**Client** - Our clients are the most critical member of the team, helping us focus on addressing both employer and employee needs.

**Consultant** - Guides and coordinates company resources to ensure we meet and exceed client expectations.

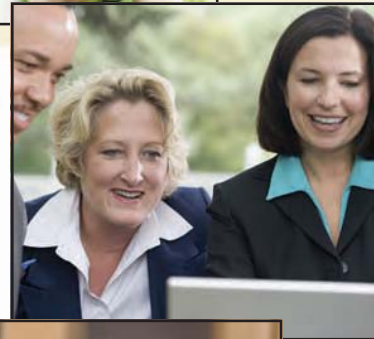
**Client Relations** - Works hand-in-hand with consulting, prepares the documents and reports necessary for each client to make informed benefits decisions.

**Implementation** - This critical function helps secure and collect all of the information that will be required for proper program set-up.

**Benefits Coordination** - An assigned coordinator manages Cobra, Flex, HRA and enrollment to ensure that members have one place to call for all their questions.

**FMLA Administration** - Works with each client to select an appropriate verification process that saves them time and money.

**Wellness Communication Specialist** - Works with employees to educate them on preventative measures they can take to improve their health, plus helps them purchase healthcare more efficiently.



## OUR PROCESS

Over the last few years, healthcare premium costs have spiraled out of control, forcing employers to reduce benefits in order to keep their plans affordable. Corporate Health Systems is committed to helping our customers preserve their benefits, while reducing premiums. We accomplish this by implementing a process designed to find and address the cost-drivers impacting their premiums. Our knowledge of the industry, along with our creative approach to problem solving, has allowed our customers to re-establish control of their benefits programs.

## PROVEN METHODOLOGY

- We begin by underwriting our customer's current plans with the objective of finding ways to lower their premiums while maintaining their desired benefit levels.
- Utilizing our sophisticated software, our experts take advantage of the open market and bid out their plan.
- We then compare claim frequencies and increases from year-to-year to determine the underlying cause of the increases. This analysis identifies the benefit adjustments that will reduce claims and associated premiums.
- Our specialists then analyze and assess the merits of using one of the "consumer-driven, high deductible" models (CDHD) or a defined benefits contribution model to achieve more affordable premium costs.
- We then consider the benefits of funding their programs with either a traditional fully-insured or a self-insured model.



- Finally, we incorporate all of our findings into a "benefits plan budget" that clearly compares all the components and costs of the current benefits plan against the new benefits plan and budget. This tool gives our customers full knowledge of all costs and allows them to set their desired budget and benefits package within their target financial plan.

## COMMUNICATIONS AND TEAMWORK...THE ESSENTIAL INGREDIENTS

During each renewal cycle, your client team focuses on building a multi-year benefits strategy to optimize the desired results. Team strategy meetings are held to identify creative ways to reduce benefits premiums. At the conclusion of each strategy meeting, a summary of action items is distributed to all members of the team to ensure that each member follows and contributes to the process.

# CHS SERVICES OVERVIEW

## CONSULTING SERVICES

### Medical Claims Analysis

To enhance results, each customer's medical claims are downloaded into our sophisticated claims processing system. There they are electronically analyzed and benchmarked against industry norms by diagnosis and benefit, to identify the cost drivers that are negatively impacting the customer's premiums.

### Corrective Action

The analysis described above makes it possible for CHS to reduce premiums by either adjusting benefits, or by identifying opportunities for customers to achieve premium cost reductions through proactive employee healthcare management. Once the cost drivers are identified, we rebuild the benefits plan to better fit each customer's budget, identifying exactly where the premium reductions are coming from. As part of the assessment, we can tell our customers specifically how many of their employees will be impacted by the change in benefits. And if our customers prefer to offer their employees a dual option on their medical plan, we can easily accommodate that as well.



### Wellness Program

Paramount to controlling future medical premium costs is the need for employees and their families to modify their behaviors regarding how and when they access the healthcare system. Experience validates that 25% to 50% of all claims are inappropriate or unnecessary. Improving employee healthcare awareness can do much to reduce medical and pharmacy claims against our customers' healthcare plans. Corporate Health Systems offers a wellness program to proactively assist our customers in educating their employees on ways to reduce their healthcare costs. Through this program, employees learn:

- how to take better care of themselves.
- how stress can be the root of many illnesses, and what they can do about it.
- how heredity may guide their future claims.
- how wellness can impact each employee's income.
- how to research doctors and healthcare facilities based on their success ratios.
- to not accept a medical diagnosis without proof.
- to recognize that billing mistakes are often made that end up costing them money.
- to look at the price of doctor visits and procedures when their bills arrive, and how to lower these costs.



Corporate Health Systems helps relieve the burden.

This wellness program has the potential to significantly reduce employee claims and the resulting premiums. Experience dictates that diligence and follow-through are the keys to a successful wellness program. To help customers achieve results, our managed wellness consultant works hand-in-hand with clients to formalize their proactive wellness campaigns. The consultant:

- selects a viable program and establishes a company-wide wellness strategy.
- sets up a communications campaign to educate employees and their families.
- coordinates employee meetings and seminars on employee awareness.
- eliminates the HR team's burden of building employee awareness and compliance.



## ADMINISTRATIVE SERVICES

Enrollment, Billing, Document Distribution – For over fifteen years, Corporate Health Systems has been helping customers manage the administration of their benefits by providing the following value-added services and benefits:

- An improved, more systematic and concise approach to benefits administration that is less costly than internal programs
- Annual re-enrollment for members
- Waiver verifications
- Billing reconciliations
- Improved documentation, leading to reduced legal liability for our customers

This program is unlike any of the typical programs currently in the marketplace. It includes full management of benefits enrollment, from auditing elections to reconciling the bills, and the distribution of SPDs and certificates to enrolled members.

Personalized Benefits Statements – Corporate Health Systems can design and distribute personalized benefits statements for each employee, showing the full value of their benefits and compensation package. This helps our customers communicate to employees the true value of their compensation package.

Employee Surveys – We have the capability to design and administer full membership surveys, verifying employee and family benefit interests. This allows our customers to stay in tune with member needs, creating a higher perceived value among employees.

Flex Administration – We offer a full complement of services supporting the administration of our customers' flex programs.

- Call center for member questions
- Full administration services
- Plan document management
- Online claims verification
- Direct deposits
- Discrimination testing



Flex Participation Enhancement Campaign – This promotional program includes display posters, informational brochures, infomercials, newsletters, incentive mailings and an on-site theatrical presentation aimed at creating awareness, interest and participation in the flex program.

Health Reimbursement Arrangement (HRA) – On June 26, 2002, the IRS issued tax guidance for the newly formed HRAs, opening the door for a more consumer-driven healthcare movement. Corporate Health Systems can help establish our customers' HRAs, design employee communications related to the program, educate their employees on the program and administer all monthly claims. These plans have the following benefits:

- They encourage employees to purchase healthcare more wisely.
- They allow employees to use employer pre-funded accounts to help pay for their deductibles, with the ability to rollover unused amounts each year.

Health Savings Account (HSA) – Empowered by the market's interest in the HRA, the HSA was enacted as part of the Medicare Prescription Drug and Modernization Act of 2003. Similar to the HRA, the HSA allows both employers and employees to fund pre-tax money into a bank account and rollover unused amounts at year-end.

Retirement Premium Billing Service – We provide a premium billing service for our customers to ensure that retiree insurance programs are not compromised. The billing service includes:

- Billing and collection of premiums from retirees
- Late notices to ensure coverage is not dropped
- Notification to retirees of rate or benefit changes
- Up-to-date reports for our customers on retiree status
- Monitoring and tracking of all payments and related activities

Family Medical Leave Act Administration – When employees are not at work, it is often difficult to determine exactly how the employee's personal time off (PTO) and FMLA should be handled; whether it should be classified as disability or general time off, or possibly due to family illness. How are benefits to be handled in such a situation... should the employee be placed on Cobra or under FMLA? Should termination be considered, and if so, when?

Corporate Health Systems can assist our customers in selecting the most appropriate administration process to help reduce the confusion, time and cost associated with this process.



Online HR Reference Desk – Corporate Health Systems has an online portal to help our customers sort through the myriad of HR-related questions that may arise. Topics discussed on the portal include HIPAA, COBRA and State Continuation, FMLA, disease management, new legislation impacting benefits, HSAs, HRAs, flex provisions, and more. The online HR reference desk includes:

- A web page offering our customers personalized, time-saving tools and resources.
- Community Benchmark Benefit surveys that compare their programs to others around the country.
- A collaboration center to share information with others, ask questions and get feedback from over 100,000 colleagues across the country.

Benefits Seminars – Corporate Health Systems conducts seminars throughout the year on topics of interest to our customers that can help them stay in touch with the ever-changing benefits environment. Topics of discussion include HIPAA, COBRA and State Continuation, FMLA, disease management programs, new industry legislation, HSAs, HRAs, flex provisions, and more.

Cobra and State Continuation Administration – Corporate Health Systems has a long history with Cobra and State Continuation administrative requirements, and provides the following services:

- Initial notification to employees
- Qualifying event notification of COBRA eligibility
- Distribution of COBRA election packets and educational materials
- Billing and collection of premium payments
- Rate and benefit change notifications, as appropriate
- Termination of coverage at the end of the eligibility period
- Reports designed to keep our customers informed and up-to-date
- A dedicated service consultant assigned to each customer to answer client questions



## CORPORATE HEALTH SYSTEMS...RAISING THE "VALUE" BAR

Corporate Health Systems is a "one-stop, one-call solution" to professional benefits management. Whether our customers are interested in completely hands-free, outsourced solutions to benefits management, or prefer to have us selectively assist their staff in administering their programs, we can accommodate their needs.

- Easy to implement and understand - all benefits are consolidated into one enrollment form
- Informed employees are able to purchase healthcare more wisely, resulting in lower premiums
- More control over future cost increases
- More attractive employee benefit offerings
- All benefits are consolidated under one budget forecast, set by the customer
- Reduced corporate liability resulting from administrative errors
- Faster response times
- Reduced program administration hassle and costs
- One call...sole responsibility



***Your One-Stop Benefits Management Company***



Give us a call today to see how we can positively impact your benefits program

— **CORPORATE HEALTH SYSTEMS, INC.** —

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