



Self-Funded Program

A health-benefit program designed for your small- to medium-sized business

The Self-Funded Program provides tools for small-business employers to establish a self-funded health benefit plan for their employees. The benefit plan is established by the employer and is not an insurance product. Stop-loss insurance for the National General Benefits Solutions Self-Funded Program is underwritten by National Health Insurance Company, Time Insurance Company, Integon National Insurance Company, and Integon Indemnity Corporation.

National General 
Benefits Solutions



Introducing: A realistic approach to employee health benefits

Now, you can gain control of your health care expenses while providing quality benefits to your employees. By combining the cost savings of self-funding with the stability of more traditional plans, our Self-Funded Program gives you the simplicity and cost savings you're looking for without the hassle of administering the program yourself.

National General Benefits Solutions is a national leader in the self-funded space. Our teams of experienced professionals are ready to provide you and your agent with:

- Group market expertise
- Immediate access to support
- Quick resolution of issues
- Hands-on help at time of reissue

Simple. Safe. Savings.

Self funding used to be a concept only available to large employers. Not anymore.

Business owners like you enjoy the advantages of self funding. And now, with our Self-Funded Program, you get to experience those advantages without taking on added risk. It's an easy way for you to lower your costs while providing quality health care benefits to your employees.

SELF-FUNDED PROGRAM KEY ADVANTAGES:



One, predictable monthly payment

Your monthly payment is determined upfront and guaranteed not to increase for a full year as long as there are no changes to your group's benefits or enrollment



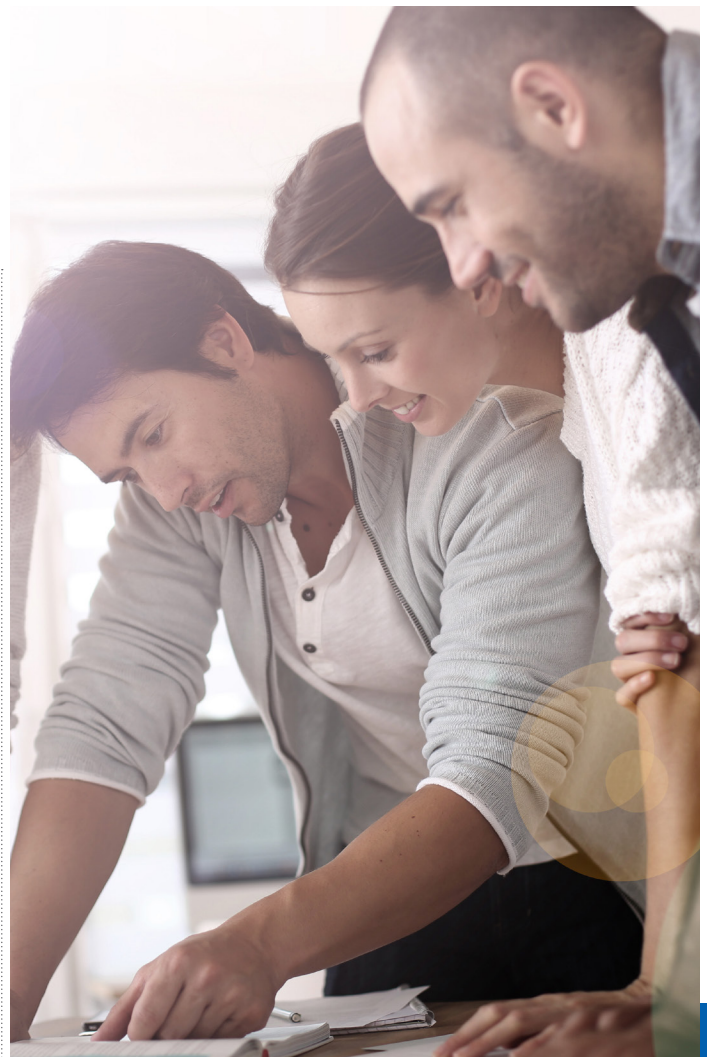
Plan administration and account management

Payments of claims, customer service and reporting is all done for you, leaving you to focus on your business



Quality benefits

- All employer-established benefit plans are minimum essential coverage, so employees will not be subject to the individual tax penalty
- Preventive services are paid at 100% when received from in-network providers, as recommended by the Affordable Care Act



Are you overpaying for group health care benefits?

Where do your premium dollars really go?

With fully insured health plans, all of your premium is paid to the insurance company. You don't have any control over how that money is spent. You won't see any of those premium dollars again, even in years when your group's claims are less than expected.

Our Self-Funded Program is different. Some of your monthly payment is used to run the daily administration of your plan, but portions of it are also used to pay your stop-loss insurance premium and to build your claims account. In years when claims are lower than expected, a portion of the difference between your group's anticipated and actual claims is credited back to you — and that adds up to significant savings.



Fully insured premium



Payments for our Self-Funded Program

Receive money back from your claims account in years when claims are lower than expected



How does it work?

We make it easy for you to put a self-funded health benefit plan to work for your business

For your everyday convenience, this plan behaves just like a more traditional, fully insured health benefit plan. You provide your level, monthly payment, and we handle the details.

The difference lies in where your premium dollars go. We manage your program to make sure you get the savings and simplicity you need by splitting your premium among the program's three components.

THE SELF-FUNDED PROGRAM'S THREE COMPONENTS



Plan administration

A third-party administrator handles the day-to-day functions of the program

Our third-party administrators will:

- Manage claims payments
- Provide reporting to help manage costs
- Handle your group members' customer service needs



Stop-loss insurance

When your group has higher-than-expected claims, stop-loss insurance kicks in to protect your finances

Stop-loss insurance:

- Protects your finances from higher-than-expected claims
- Helps you limit your business's financial exposure
- Includes a terminal liability rider, which protects for 12-18 months after the run-out period.¹



Claims account

Money used to pay claims incurred during the coverage period.

Your claims account:

- Holds the funds needed to pay employees' claims
- Is protected from larger-than-expected claims with stop-loss insurance
- If your group's claims are less than expected, we refund a portion of the difference between the balance of your claims account and your group's actual claims

Your business. Your plan.

Health benefit plans with features your group will actually use

We provide flexible options to help you select the plan designs that will benefit your group the most.²



- Deductible options range from \$500 to \$6,600
- Coinsurance options: 100%, 90%, 80%, 70% and 50%
- Multiple office-visit copay options
- Health Savings account (HSA) and Health Reimbursement Arrangement (HRA) options available³
- Access to large, national networks, with discounts for using in-network doctors and hospitals
- Prescription copay options available
- Preventive care coverage aligns with Affordable Care Act requirements
- COBRA administration for all groups with more than 20 members at no additional charge
- Urgent-care and emergency-room copay options
- First-dollar diagnostic x-ray and lab options

² Not all benefit options available with all plans
³ HSA and HRA availability varies by third-party administrator

Terms and provisions of this program

Out-of-network services

If a covered person seeks non-emergency care at a doctor or hospital that is not part of your network, he or she will not receive network discounts and may incur additional expenses. This applies to prescriptions that are filled by an out-of-network provider as well.

For instance, copays are not accepted by doctors and hospitals that are not part of your network, and the covered charges will be handled as any other out-of-network service — subject to the:

- Maximum allowable amount — the most the plan pays for covered services. The covered person will be responsible for any balance in excess of this amount.
- Out-of-network deductible — two times the deductible.
- Out-of-network coinsurance — typically an additional 20% of charges.
- Out-of-network coinsurance out-of-pocket maximum — two times the coinsurance out-of-pocket maximum.

Emergency care benefit

In emergency situations, covered charges will be handled as network services, no matter where services are performed. All charges are subject to the maximum allowable amount.

Affiliated provider services

As long as a covered person uses hospitals and admitting physicians that are part of your network, his/her covered charges will be handled as network services even when affiliated physicians and other health care providers (e.g., radiologists, anesthesiologists, pathologists or surgeons) are not part of your network. All charges are subject to the maximum allowable amount.

Family deductible accumulations

Individual/Family

Covered expenses for each family member accumulate toward his or her individual deductible and benefits begin:

- For the family member — once his or her individual deductible is met.
- For all family members — once the combined amounts accumulated toward two or more individual deductibles reach the amount of the family deductible.

Utilization review

When inpatient treatment is needed, the covered person is responsible for calling the 800# on the card to receive authorization. If authorization is not received, a penalty could be applied. No benefits are paid for transplants that are not authorized. Authorization is not a guarantee of coverage.

Out-of-pocket maximums

The family out-of-pocket maximum is the total dollar amount of covered charges that must be paid by you and your covered dependents before we will consider any out-of-pocket maximum for all covered persons under the same family plan to be satisfied.

The individual out-of-pocket maximum is the dollar amount of covered charges that must be paid by each covered person before any out-of-pocket maximum is satisfied for that covered person.

Employment waiting period

The employment waiting or affiliation period is the number of consecutive days an employee must be working before he/she is eligible to be covered. The following choices are available: 0, 30, 60 or 90 days.

New hires

For groups with a 0, 30 or 60 day employment waiting period, new eligible employees and their dependents, upon satisfaction of the employment waiting period, are eligible for the following effective date:

- First day of the billing month following the date of full-time employment, when the enrollment request is received within 31 days of this date.

For groups with a 90 day employment waiting period, newly eligible employees and their dependents, upon satisfaction of the employment waiting period, are eligible for the following effective date:

- The 90th day following the date of full-time employment, when the enrollment request is received within 31 days of the expiration of the employment waiting period.

Deductible credit

When coverage first begins, credit is given for any portion of a calendar-year deductible satisfied under the prior group plan during the same calendar year. However, no credit is given for past policy-year deductibles.



National General Holdings Corp. (NGHC) is a publicly traded company with approximately \$2.5 billion in annual revenue. The companies held by NGHC provide personal and commercial automobile insurance, recreational vehicle and motorcycle insurance, homeowner and flood insurance, self-funded business products, life, supplemental health insurance products, and other niche insurance products.

National General Benefits Solutions (NGBS), a part of NGHC, is the trade name for products underwritten by Time Insurance Company, National Health Insurance Company (incorporated in 1965), Integon National Insurance Company (incorporated in 1987), and Integon Indemnity Corporation (incorporated in 1946). Together, these three companies are authorized to provide health insurance in all 50 states, including the District of Columbia, and have all been rated as A- (Excellent) by A.M. Best. Each underwriting company is financially responsible for its respective products.

NGBS is focused on providing cutting-edge benefits solutions to small and mid-size businesses.

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