

AmeriSHARE®

An alternative approach to funding employee healthcare benefits

Designed for groups with 5 to 99 covered employees



ATAAmericaSM
service. savings. satisfaction.

AmeriShare Gives Your Business the Potential for Substantial Savings

Today, your business faces the difficult challenge of trying to offer your employees quality health benefits while, at the same time, keeping the cost of providing these programs from eroding your bottom line.

With traditional health plans, you pay for fixed monthly premiums and the insurance company assumes the risk. In doing so, the insurance company profits most in those years when your company's claim costs are lower than expected.

Many large companies, those with hundreds or thousands of employees, establish self-funded plans that allow them to benefit when claim costs are favorable.

With AmeriShare, ATA America offers you a powerful, practical alternative to traditional approaches that allows you to reap the benefits enjoyed by larger employers. AmeriShare rewards your business for its good claim experience in a way that makes sense for smaller businesses. We call our approach, "Flexible Self Funding."

Self funding is "the only game in town." It is the only way a small group with good demographics and healthy employees can take advantage of the potential cost savings available to them.



AmeriShare Advantages

AmeriShare offers you several key advantages over a traditional health plan.

When you choose AmeriShare:

- Your plan benefits directly from favorable claim experience – something you can't do in a highly regulated fully insured environment
- You pay insurance company profit & expense charges only on the portion of the cost used to purchase excess loss insurance
- You pay less state premium taxes and some federal health insurance related taxes
- Your plan keeps the interest earned on your Claim Fund
- You have the potential for improved cash flow
- You have greater control over plan design
- AmeriShare is governed by ERISA and is therefore exempt from certain state mandated benefits
- You receive detailed reports showing exactly where your benefit dollars are going

With its Flexible Self Funding approach, AmeriShare also offers you important advantages over a typical self-funded plan:

- The level of risk is tailored to meet the needs and risk tolerance of businesses, like yours, with five to ninety-nine covered employees*
- Innovative features help make your cash flow predictable and help limit your risk should you terminate the plan in the future

*Minimum group size may vary by state.

How Flexible Self Funding Works For You

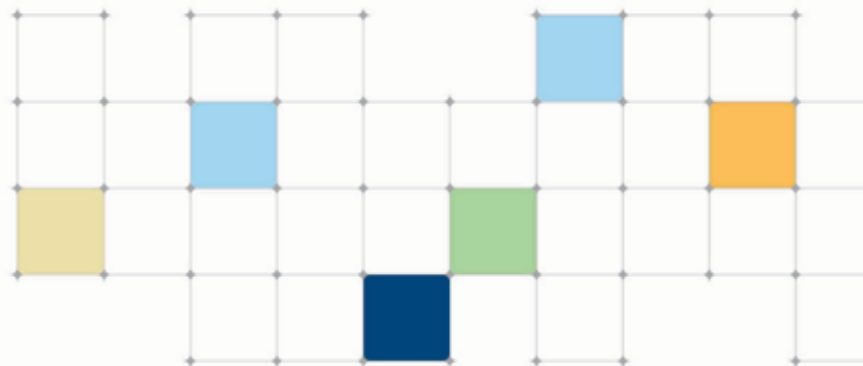
With AmeriShare, your business funds claims for healthcare benefits and purchases “excess loss” insurance to help limit your exposure to risk.

In other words, your company pays for the actual medical expenses that your employees incur. At the same time, by promptly reimbursing covered paid claims above certain dollar amounts, excess loss insurance helps protect you from the risk of large medical claims incurred by an individual and by your group as a whole.

Our excess loss coverage options, tailored to the needs of groups like yours, allow even smaller employers to successfully self-fund their employee medical benefits. If you so choose, dental coverage can also be self-funded under the program.

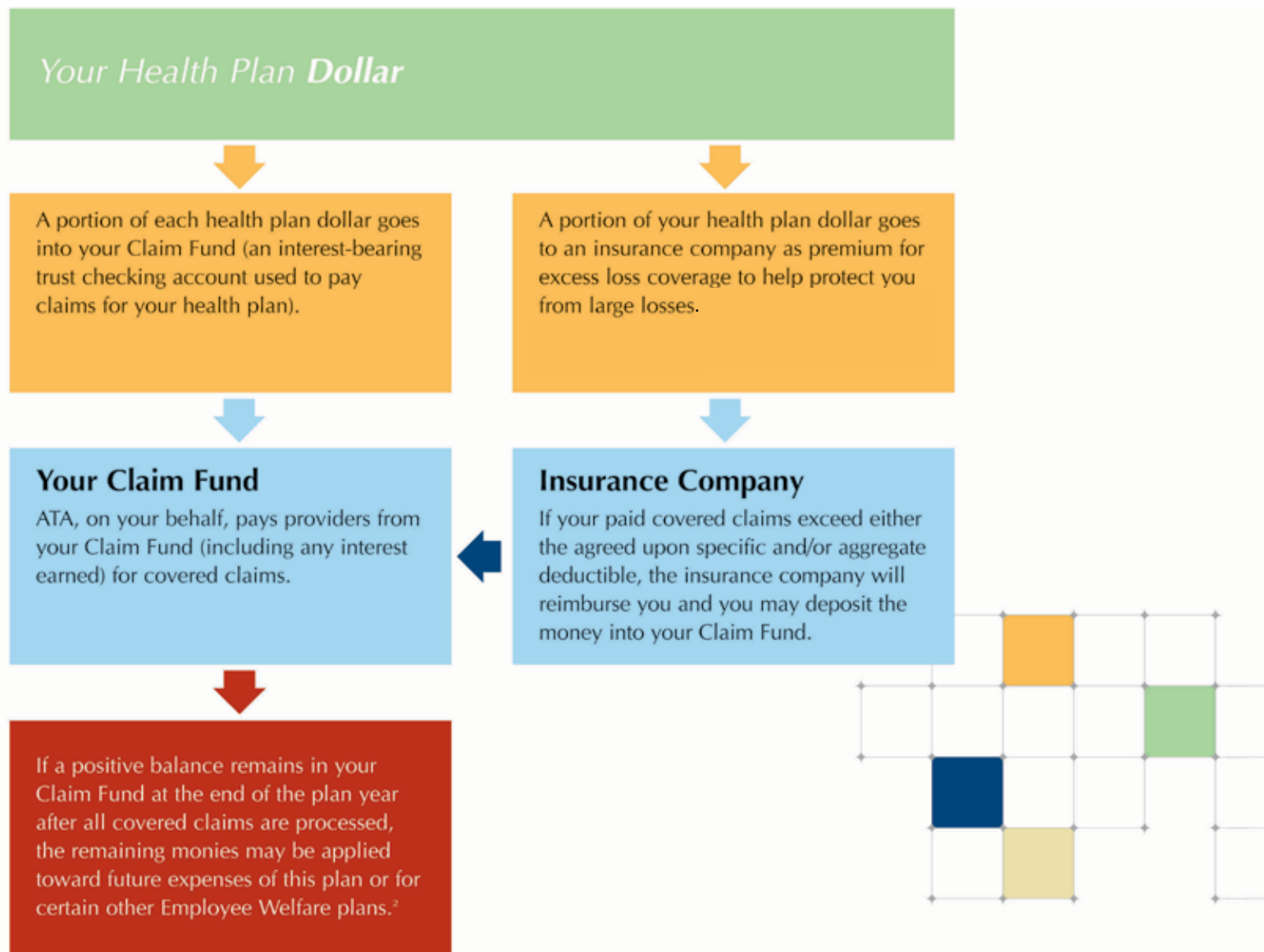
With AmeriShare, just a portion of each dollar you would typically spend on premiums goes to an insurance company to purchase excess loss coverage. The rest goes into your Claim Fund (an interest-bearing trust checking account from which your claims and administration expenses are paid). Depending on the coverage you select, a majority of your cost may go into your Claim Fund.

Throughout the plan year, ATA America handles the administration of submitted claims, bills you for payable claims, pays the claims from monies received from you, and processes excess loss reimbursements. At the end of the plan year, any unused monies in the Claim Fund are yours to apply against future plan costs. Depending on your claims, your savings can be quite substantial.



*This is only a general description. For a complete description of the benefits, features, exclusions, and limitations of the AmeriShare plan, refer to the booklet entitled **AmeriShare Insurance Products and Health Benefit Information**.*

How AmeriShare Flexible Self Funding Works



²Funds may be used for any other employee welfare benefit plan established pursuant to ERISA, such as other medical plans, dental, vision, long-term care, life, disability income, unemployment plans, vacation plans, and pre-paid legal plans.

AmeriShare Helps Limit Your Liability and Protect Your Business

That's because you know up front exactly what your maximum covered benefit claims and insurance costs will be for the next 12 months.

AmeriShare helps limit your liability through the use of two types of excess loss coverage called Specific Excess Loss and Aggregate Excess Loss.

Both offer a choice of coverage terms that define when a covered claim must be incurred, and when it must be paid, in order to be eligible for reimbursement. Your insurance broker or consultant will work with you to choose the right options for your needs.

Specific Excess Loss Coverage

Specific Excess Loss Coverage helps protect you from the risk of significant claims being incurred by one individual.

If an individual incurs claims covered under your plan that exceed an amount predetermined by you (your Specific Deductible), the excess will be reimbursed immediately by the insurance company.³

AmeriShare Flexible Self Funding addresses the needs of the smaller business by offering a choice of Specific Deductibles ranging from \$7,500 to \$50,000 per covered individual.*

*Specific Deductibles may vary by state.

³To be eligible for reimbursement, covered claims must be incurred and paid during the time frame established in your excess loss coverage.



Aggregate Excess Loss Coverage

Aggregate Excess Loss Coverage helps limit your benefit claim liability for your group as a whole.

If the covered claims you pay under all Specific Deductibles for those insured under your group exceed an amount predetermined by us and known to you (your Aggregate Deductible), the excess will be reimbursed by the insurance company.⁴

Your Aggregate Deductible is determined by a number of factors including the size and demographics of your group, your plan of benefits, and the Specific Deductible you choose. The excess over the Specific Deductible does not count towards your Aggregate Deductible.

⁴To be eligible for reimbursement, covered claims must be incurred and paid during the time frame established in your excess loss coverage.

Monthly Aggregate Accommodation

AmeriShare's Monthly Aggregate Accommodation provision makes your budget more predictable.

A cornerstone of our Flexible Self Funding approach, Monthly Aggregate Accommodation puts a cap on your covered paid claims to assure that you are not burdened by the prospect of excessive claims early in your plan year. This cap, called your aggregate accommodation point, limits your outlay for covered claims on a year-to-date basis.

Each month, we compare the dollar amount of the covered claims you have paid during the plan year with your aggregate accommodation point. If your covered paid claims exceed your accommodation point, you are advanced the funds to cover the difference. In subsequent months, should your accommodation point exceed your covered paid claims, you are required to repay the advance.⁵

⁵There is a minimum annual aggregate deductible stated in your policy. Your monthly aggregate accommodation point may not go below one-twelfth (1/12) of that amount. Premiums must be paid in full to date to receive an accommodation. At the end of the contract period, your repayment obligation if any will equal the sum of all advances made during the contract period (net of repayments) less the actual amount of your Aggregate Excess Loss reimbursement. A final repayment of any balance due must be made within thirty (30) days of the end of the contract period. However, if you terminate your plan early you will have to pay back all advances.

*This is only a general description. For a complete description of the benefits, features, exclusions, and limitations of the AmeriShare plan, refer to the booklet entitled **AmeriShare Insurance Products and Health Benefit Information**.*

Coverage for Claim “Run-Out”

AmeriShare can protect you from excessive liability on claims that may have been incurred but are not paid at the time of termination.

With excess loss coverage, whether or not a claim is eligible for reimbursement is determined not only by when the expense is incurred, but also by when the claim is paid. Claims that are incurred but not paid during the plan year are often referred to as “run-out” claims. Should you decide to terminate your plan, it’s important that you understand what coverage you have for run-out claims.

ATA can set up your Specific and Aggregate contracts to assure that, should you decide to terminate at the end of the plan year, your financial exposure to claims incurred near the end of the plan period will be reduced.

For example, your Specific Excess Loss Coverage can be written to include an extra three or six months for the claims to be paid and still qualify for reimbursement. Aggregate Excess Loss Coverage may also be purchased with an extra three or six month run-out period.



Aggregate Terminal Liability Coverage (TLC)

TLC offers a flexible, “wait-and-see” option of addressing aggregate run-out claims.

If you choose to purchase Aggregate Excess Loss Coverage without including any coverage for claim run-out, we make Aggregate Terminal Liability Coverage (TLC) available to you. TLC gives you another option to protect yourself in the event you do not renew your plan.

This coverage increases the aggregate deductible for losses incurred prior to normal termination and extends the payment period to three months after normal termination. The premium for TLC is payable only at the time of termination, and there is no additional charge during the plan year for this coverage.⁶

⁶Only claims paid within the three month terminal liability period, which when added to all other claims on the individual, are less than the specific deductible will be eligible for reimbursement. Terminal liability coverage is not available when your excess loss coverage terminates at times other than normal renewal.

AmeriShare – Integrated Stop-Loss Plan

What is AmeriShare’s Integrated Stop-Loss Plan (ISL)?

AmeriShare ISL is a straight forward and simple approach to self-funding with easy to understand aggregate only stop-loss protection at competitive maximum cost pricing.

How Does ISL Work?

- The ISL product has two components, the plan claims fund and the fixed cost.
- The employer pays both with one check each month. The portion billed for claims funding goes into the employer’s claims account and the amount billed for fixed cost is used to pay the premium payments, administration and vendor fees.
- Plan member claims are paid out of the employer claims account. If the claims account is exhausted due to payment of valid plan claims on either a monthly or an annual basis, and the group has funded up to their year-to-date maximum, the ISL coverage reimburses the plan.
- If the claims fund has a positive balance at the end of the plan year, this savings can be used to offset inflationary cost increases, added plan benefits or to offset plan costs.

Flexible Funding and Flexible Benefits

We make sure that AmeriShare is a custom-designed, turnkey program for you in every sense.

In addition to a wide range of Specific and Aggregate Excess Loss Coverage alternatives to protect you as the employer, AmeriShare offers an extensive number of options for you to choose from when designing a benefit program for your employees.

Also, our network of Preferred Provider Organizations (PPOs) includes tens of thousands of preferred physicians and hospitals across the country.

AmeriShare Gives you Control

Year after year, clients tell us how pleased they are with the level of detail in the reports we provide.

Monthly and annual reports show you exactly where your money for health benefits is going. By using the reports—and by taking advantage of ATA's experience and expert advice—you can confidently adjust your plan through different deductibles and copayment levels to maximize potential savings—without compromising your employee's satisfaction.

AmeriShare Will Satisfy Your Employees

Your employees are sure to be happy with the protection you're providing them through AmeriShare.

We make sure your employees are treated with the respect and courtesy they deserve. Our service and claims associates are readily available by telephone, toll-free, during regular business hours.

We've also made a significant investment in technology to provide around-the-clock self-service capabilities to employers and their employees through our website, www.ATAAmerica.com. Employees can track their claim status, paid dates and accumulators on our 24/7 website.

Let AmeriShare Work for You

AmeriShare, from ATA America, has helped many employers offer quality benefits at an affordable cost.

AmeriShare's Flexible Self Funding approach is a powerful, practical alternative for successfully managing the rising cost of employee health benefits. AmeriShare rewards your business for its good claim experience by reducing costs while providing protection that makes sense for a company like yours

We hope you will take a close look at what it can do for your business. Ask your insurance broker or benefits consultant for a customized AmeriShare proposal.

We look forward to serving you.



*This is only a general description. For a complete description of the benefits, features, exclusions, and limitations of the AmeriShare plan, refer to the booklet entitled **AmeriShare Insurance Products and Health Benefit Information**.*

For over 45 years, ATA America has built a strong record for the creation and delivery of innovative benefit solutions to employers across the nation.

To learn more about how we can help you address the rising cost of providing quality healthcare benefits to your employees, contact your insurance broker or benefits consultant, or call ATA America at:

800.842.4121

Claims & Administrative Services Provided by:

ATA AMERICA

7223 W. 95th St. Suite 301
Overland Park, KS 66212

www.ATAAmerica.com

Excess Loss Coverage is underwritten by Companion Life Insurance Company, Columbia, South Carolina under policy forms CLXPOL or Gerber Life Insurance Co., White Plains, New York, under policy GLXPOL.

ATA AmericaSM is a service mark of American Trust Administrators, Inc.

