

WHY CHOOSE US

Beckworth Beneficial on your team and next steps



Cost Transparency/ Compensation Disclosure With Beckworth Beneficial

Beckworth Beneficial gladly facilitates a variety of fee structures. Ordinarily, each form of compensation mentioned below would be disclosed on your Schedule A Form 5500 filing.



Commission basis structure

The traditional *commission basis structure* is when a brokerage firm receives a percentage of medical premiums as compensation for their services. Organizations pay their medical plan premium to the insurance carrier or Third-Party Administrator (TPA) and they, in turn, pass the agreed upon commission dollars to the broker. With large groups, a broker can negotiate this fee with the carriers.



Flat-fee arrangement

With a *flat-fee arrangement*, the benefits consultant and the organization agree upon a fixed fee per month/year for services provided. This option is becoming more popular among employers as it tends to cause the interests of the organization to be the primary objective, rather than a brokers. It also keeps a broker motivated both to control premium costs and to become a true benefits partner to the organization they're serving.



Active Employee Headcount

A monthly or annual fee based upon *active employee headcount* is another efficient way for employers to control costs, ensure fee transparency and have a clear and mutual understanding regarding services received from their broker. For example, when an organization looks at services and costs for HRIS, they see a list of every possible service and the fee associated with it, whether lump sum, or per employee/event based. In addition to a-la-carte, some services are bundled. In the same way, the active employee headcount fee structure enables the employer to choose what bundled services they need, and what a-la-carte services they would like to add, if preferred. This method also ensures that they're not paying more commission to a broker if their premiums costs increased while their employee count might decrease.



Flat Fee Arrangement/ Active Employee Headcount Fee Structure

Consultant/Advisor Services

Employer Service

- Trend analysis and best practices
- Cost-control measures - plan design, cost-sharing models
- Activity calendars and prompt reminders/follow-up

Communication

- Benefit booklets (hard copies)
- Open enrollment & other notices or posters
- Open enrollment meetings (in-person and/or webinar) Periodic on-site check-in visits and/or webinars

TPA Service

- COBRA admin
- Benefit admin/enrollment portal w/ carrier connections
- Assistance with finding/ managing HAS, FSA or other TPAs

Broker Service

- Carrier selection and management
- Negotiation
- Contract review and documentation

Employee Service

- Assistance with claims, provider finder, healthcare access, enrollment assistance
- Transition to Medicare
- LTD claim assistance, life conversion/porting

Wellness

- Resource that includes newsletters, flyers, webinars
- Assistance designing/launching contests
- Assistance with carrier incentives

Compliance

- Full ERISA/IRS compliance
 - Plan document management – WRAP, integration with 125
 - 5500 prep and filing
 - 1095/1094 Filing
 - Required disclosures
 - Regulatory alerts and planning assistance

A *flat fee arrangement* would be agreed upon based on the preferred and required services mentioned above.

A *fee based structured based on active employee headcount* could vary in cost as well based on the selected services. If the cost per employee is on the low side, the employer would be expected to contract separately with a COBRA and HSA TPA, benefits administration portal, and manage most of the open enrollment and employer communication. If the reverse is true, an employee would expect to not have to do much at all. Rather, Beckworth Beneficial would shoulder the above workload, while underwriting the associated portals.



Traditional Commission Basis Structure – Beckworth Beneficial Increased Value

Beckworth Beneficial provides clients the insurance guidance, open enrollment assistance, legislative/compliance help and cost management benefits. In addition, we underwrite and sponsor the additional services through the portals, ACA compliance and value-add assistance found below. It one of the ways we express our appreciation for the honor of serving our valued clients.

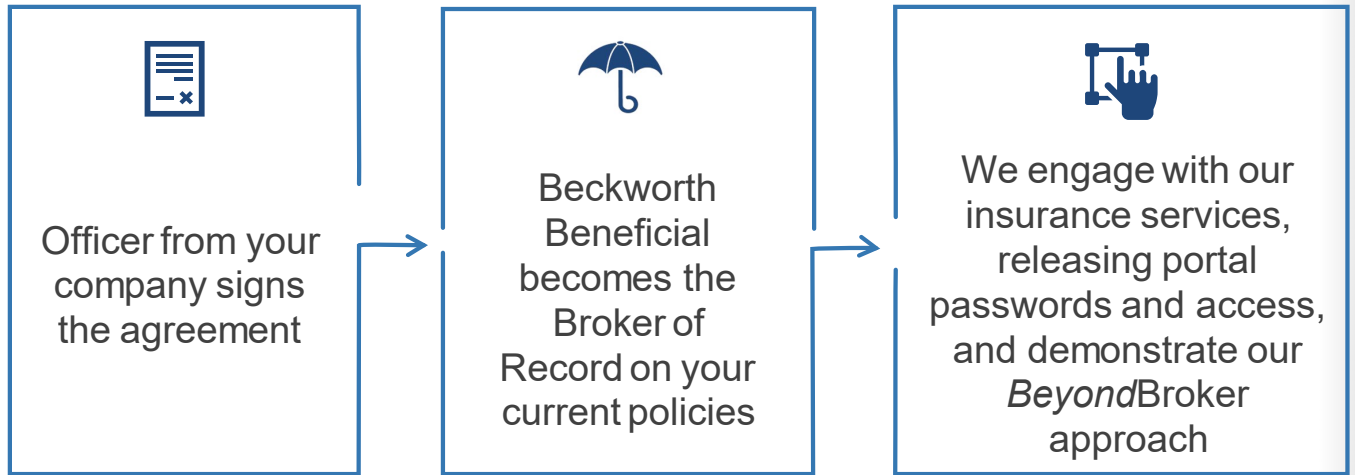
Policy/Premium	Current Commission % / \$	Proposed Commission % / \$	Our Savings
Carrier #1	% / \$	% - \$	\$
Carrier #2	% / \$	% / \$	\$
Dental Carrier	% - \$	% - \$	\$
Vision Carrier	% - \$	% - \$	\$
Ancillary Carrier	% - \$	% - \$	\$
Annual Savings with Beckworth Beneficial			\$
Additional Services	Typical Consulting Fee	Beckworth Beneficial Fee	Our Savings
COBRA/HSA TPA	\$4,000	\$0	\$4,000
1094-1095C Filing	\$8,000	\$0	\$8,000
Mineral (ThinkHR) – HR Hotline	\$7,000	\$0	\$7,000
ERISA Compliance (5500 prep/filing, SPD)	\$5,000	\$0	\$5,000
Learning Management System (300 Ees)	\$7,500	\$0	\$7,500
Online Benefits Platform	\$4,000	\$0	\$4,000
Annual Savings with Beckworth Beneficial			\$41,280

Total Annual Savings with Beckworth Beneficial = \$

Additional Recommendations

Next Steps

It would be our *privilege* to begin serving your organization!



Please Note

- The signature will NOT affect your current rates, premiums, coverages (etc.) whatsoever. It simply assigns your policies to our agency.
- Once your insurance carriers transfer your policies to us, we will then begin implementing any approved recommendations.

