

WHAT IS HEALTH INSURANCE 2.0?

Since the introduction of Obamacare in 2010, the Small Business group health insurance market has experienced some troubling trends. Deductibles are increasing every year. Renewal premiums are in the double digits. And networks are always shrinking. This is no longer a sustainable system. Health Insurance 2.0 is a new level of coverage, an upgrade on the Traditional Plans that small businesses are stuck with now.

It seems kind of hard to believe now, but in 2010 it wasn't uncommon to find a group health plan with a deductible between \$0-\$500. Now in 2020, although the average group health deductible is around \$2,000, it's pretty common to find employees on plans with deductibles of \$5,000-7,000. That is a lot of out of pocket exposure for someone in the case of a major medical event! In addition to increasing deductibles, the small business group health market has experienced a significant increase in average renewal premium. This is probably the number one complaint small businesses have when it comes to their group coverage- having to change plans every year because their renewals went up 20%+. The third major issue that's done it's part to break the system is the issue of shrinking networks.

Many small business plans can see high turnover rates in the doctors and facilities that accept coverage, forcing employees to have to change their doctor.

Coinciding with this is the simple fact that many small businesses are purchasing HMO plans simply because that's all they can afford, which unfortunately is putting them into restricted networks. This also opens up more exposure to surprise medical bills. The combination of these factors has slowly broken the small business group market more and more by the year.

Now, as of 2020, we have a whole new issue to consider: how we conduct our lives subsequent to a pandemic. Of course we can only guess at how our lives are going to change going forward but, we can say with certainty that things ARE going to be different. One of the elements that is going to be different is healthcare. How are doctor's offices and medical facilities going to deal with social distancing? How comfortable will people feel going to a facility for surgery if it's elective? Add this extreme event to an already broken market and it means the Traditional approach to small business group plans is dead. A new dynamic is needed and that is where the birth of Health Insurance 2.0 can be traced to. . .a new approach to small business group coverage, designed to eliminate the legacy issues they uniquely face.

The standard Health Insurance 2.0 plan is a whole new level of coverage that provides peace of mind to employer and employee alike. This plan is built with no deductible so, employees no longer have a huge out of pocket exposure when they actually need to use it. In addition, Health Insurance 2.0 uses two nationwide PPO

networks which provides access to any doctor or medical facility nationwide (depending on the state, many PPO plans in force actually only go border to border meaning no coverage if you leave the state). With this benefit, the employee takes back the power by having choice to go to any doctor, hospital or medical facility nationwide. In addition to eliminating the deductible and opening up the network benefits to a nationwide scale, Health Insurance 2.0 plans have stable renewal premiums. This means there's now a turnkey solution for small businesses so they no longer have to change their plan each and every year. On top of addressing the legacy issues of Traditional plans, Health Insurance 2.0 plans also come with an integrated concierge doctor. That means every company has their own primary care physician available to employees on demand. Appointments can be remote or in an office. Not only will the concierge doctor act as a personal advocate and healthcare resource, they will design customized company wellness plans and set up quarterly on site events (flu shots, for example). Think of how valuable it could be having a doctor you could reach out to for any medical question or need!

Small businesses are in a uniquely painful position in today's health insurance market. They don't have the leverage that large companies have because they only have a few employees. Unfortunately, the Traditional plans that most small businesses purchase for their coverage are not designed for them; they're designed for large companies. This is why all of the legacy issues including big deductibles, large renewal increases and shrinking networks need to be fixed, why a new standard of small business coverage is needed.