

From: [Ryan Schultz](#)
To: [ETF SMB Board Feedback](#)
Subject: Consider a Funded ICHRA for State and Local Employees
Date: Thursday, August 29, 2024 12:37:48 PM
Attachments: [Richland County - YourWay ICHRA Analysis 2024.pdf](#)

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Good afternoon board members of the Wisconsin Department of Employee Trust Funds,

By means of introduction, my name is **Ryan Schultz** and I am one of the co-founders of **OneBridge Benefits** based in Buffalo, NY. At our core, we are an organization that educates and empowers employees to save for future healthcare expenses by leveraging tax free accounts such as retiree HRAs, FSA and HSAs.

In 2021, we launched a revolutionary new product that is modernizing health benefits, it's called the **YourWay ICHRA**. This health benefit offering is tailored to the needs of your employees and gives them access to a variety of health plan options from local carriers. Furthermore, every one of your employees receives a **one-on-one consultation with a licensed agent** to find the right health plan.

The YourWay ICHRA is the **only Funded ICHRA currently on the market** that utilizes a VEBA trust structure to allow **your employees to keep any difference between their ICHRA contribution and respective premium** in an HRA that can be invested to grow tax free. Even better, any unused funds are portable upon separation!

In this model, you can **leverage the strength and stability of the Wisconsin ACA marketplace** and give your employees the choice between plans from local carriers such as Dean Health, Quartz, Anthem, and Common Group Collective just to name a few. Even better, for any member of your team that is 65 and older, they can use an ICHRA benefit contribution to purchase more affordable **Medicare advantage and Supplemental plans**.

We have brought this benefit model to **school districts in Wisconsin** with our consulting partner NIS and recently did an ICHRA analysis for **Richland County**. I have attached my ICHRA analysis and presentation to this email. Abstracted, while the current benefit offering is strong, a **funded ICHRA opens up so much more opportunity for employees to save** for future healthcare expenses.

Changes like this don't turn on a dime, but having reviewed the Richland County benefit

offering, it is very similar in concept to a defined contribution offering like an ICHRA but without the different plan design options. Conceptually, bringing State and Local employees into the ACA market via an ICHRA would not only provide a richer benefit, but it would **significantly strengthen the marketplace** for all residents in Wisconsin.

If you would like to learn more, my team and I would love the opportunity to provide you with more insights into our funded ICHRA model and how it could be customized for your state and local employers.

Thank you in advance for your consideration.

Kind Regards,
Ryan

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YourWay ICHRA Analysis

Richland County



Agenda

- Overview of the YourWay ICHRA Benefit Model
- The OneBridge Security Credentials
- Review the YourWay ICHRA “Plan Design” and financials.
- Highlight the various ways your employees will save with the YourWay ICHRA.
- Discuss next steps and timeline.



Meet OneBridge!



Our Mission: Help employees alleviate the burden associated with healthcare related costs now and into retirement.

Where we started: Founded in 2013, headquartered in Buffalo NY, 80 employees, privately held. Built industry's first single recordkeeping / claim administration platform for retiree Health Reimbursement Arrangement (HRA)

Where We Are: In 2018, we added FSA administration capabilities and built the industry's first funded ICHRA in 2021. In 2024, we completed our offering of account-based offerings with the rollout of our HSA product.

How does it work?



Your employer provides tax-free funds into an ICHRA account.

OneBridge helps you select tailor-fit coverage from your community marketplace.

You use the funds to pay for your insurance premiums.

Any unused funds can be used for qualified medical expenses.

Premiums and Contributions

When your premium is **less than** your contribution,



the **excess dollars** are yours and remain in your HRA for qualified medical expenses

When your premium is **more than** your contribution,



a **payroll deduction**, plus the employer contribution, make your monthly insurance premium

The Only Benefits Card You Need

The YourWay Benefits Card



YourWay ICHRA

- Insurance Premiums
- Excess For Out-of-Pocket Expenses

YourWay FSA

- Medical FSA
- Dependent Care

YourWay HSA

Coming in 2024!

YourWay HRA

- Executive HRA
- Retiree HRA



YourWay ICHRA: Benefits of the Model

A Benefit Differentiator

Increased Employee Engagement:

Every employee receives a **1 on 1 consultation** with a licensed agent to select the right plan for them and their family.

Tailored-fit Coverage:

Employees can choose **different health plans** for each member of their family based on specific healthcare needs.

Medicare Plan Options:

Employees 65 and older can use ICHRA dollars to **purchase more affordable Medicare Advantage or Medicare Supplement plans**.

Tax Free Savings Potential:

Employees have a **new opportunity to save for future healthcare expenses** by leveraging the additional ICHRA savings.



YourWay ICHRA: Open-Enrollment Feedback



OneBridge 1:1 Support #1 Satisfaction Driver Among Employees



Employees Raved About Their YourWay ICHRA Experience!



Delivers Superior Coverage to Meet the Needs of All Families



OneBridge Security Credentials

Security Overview

- **Robust Information Security Posture**
- **SOC 1 & SOC 2 Type 2 Compliant**
 - Annual audit of financial and operational processes and controls
 - Annual audit of technical and security processes and controls
 - Evaluated on proper design and function per intention
- **HIPAA Compliant**
 - Periodic audit of HIPAA processes and controls

INFORMATION SECURITY POSTURE



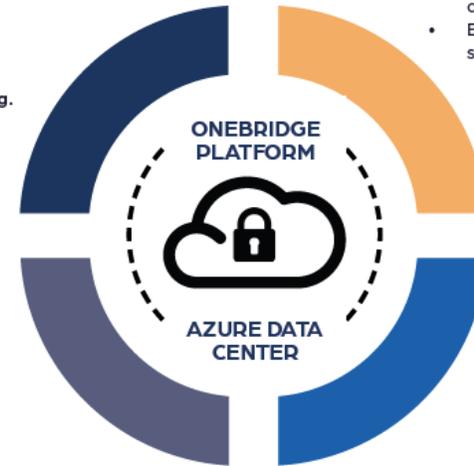
PREVENT

- **Defensive software development.**
 - Architecting software with security in mind.
 - Only use actively supported products.
 - Vulnerability management.
 - Monthly server and immediate critical-level patching.
 - User device patching with auto-updates email.
 - Anti-spam/anti-phishing service.
- Annual disaster recovery testing.
- Data loss prevention via email and on computers.
- Anti-virus/anti-malware on all computers.
- Mobile device/application management.
- Incident response plan.
- Information security program.



PROTECT

- Encryption of data on storage devices.
- Encryption of data in transit.
- **Multi-factor authentication.**
 - Remote access via VPN for OneBridge.
 - Access to platform/mobile app.
 - Access to Microsoft 365 services (email, documents, Teams).
 - Elevated/administrative access to systems and backups.
 - **Next-generation firewall.**
 - Intrusion protection and intrusion detection.
 - Application/website control.
 - Advanced malware protection.
 - Protective Domain Name Service (DNS).
 - Multiple backups with immutable backup.



EDUCATE

- Annual HIPAA training.
- Annual phishing test.
- Notification of identified threats.
- Annual security awareness training of OneBridge staff.



MONITOR

- SOC II compliance.
- Vulnerability assessment.
 - Weekly scans.
 - Network penetration testing.
- Security Incident and Event Management (SIEM) managed end-point detection and response.
- Managed Security Operations Center (SOC).

YourWay ICHRA – Plan Design

ICHRA Strategy

- 1) Provide employees with **more healthcare options** from local carriers while still providing access to health plans similar to current benefit offering.
- 2) Provide an ICHRA contribution specific to every state and rating area that **covers 100% of the premium** for all Bronze and most Silver plans, providing a employees an opportunity to **start to save for future healthcare cost!**

Richland County

Current Benefit Offering and ER/EE Cost

- 1 Plan Design Option Available Through Various Carrier
 - **Local HDHP** – \$1,600 Deductible with \$2,500 OPM
- Current plans provide access to several carrier **networks**, however, both plans have **Rx subject to the deductible**.
- Most plans have employee cost share component and **only two** coverage tiers:

FAMILY			
PLAN	EE COUNT	EE OOP	
STATE MAINTENANC BY DEAN HDHP	33	\$	267
DEAN HDHP	26	\$	289
GHC SC WI NEIGHBORS	21	\$	95
QUARTZ WEST	16	\$	20
MEDICAL ASSOCIATES	12	\$	-
QUARTZ UW HEALTH	3	\$	67
GHC SC WI DANE	1	\$	-
	112	\$	168

SINGLE			
PLAN	EE COUNT	EE OOP	
STATE MAINTENANC BY DEAN HDHP	23	\$	109
DEAN HDHP	14	\$	117
GHC SC WI NEIGHBORS	10	\$	40
MEDICAL ASSOCIATES	8	\$	-
QUARTZ WEST	6	\$	10
QUARTZ UW HEALTH	5	\$	29
NETWORK HP HDHP	1	\$	37
	67	\$	71



Understanding the ACA Market

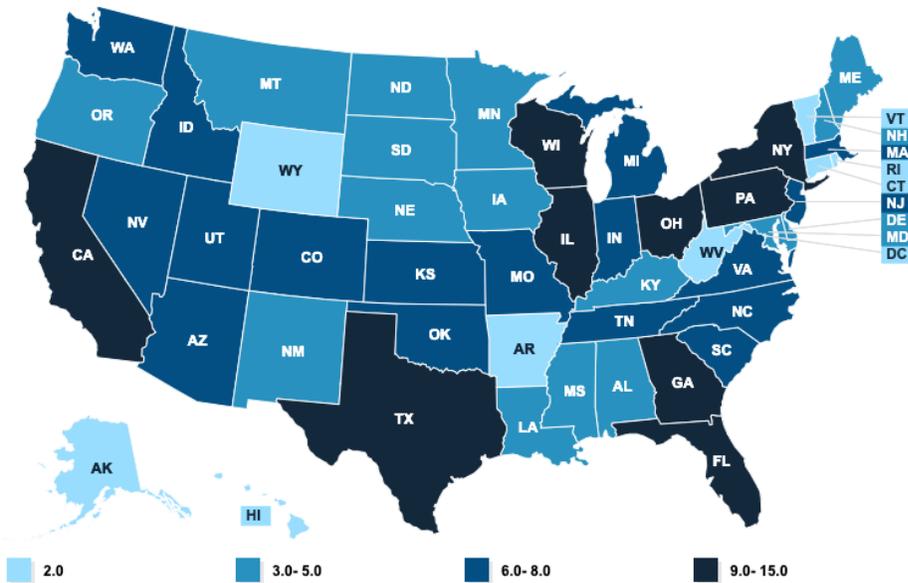
- Carrier plans and rates are specific to “Rating Areas” within a State
 - Typically, rating areas are clustered based on counties
 - A rating area is the insurance pool that is used to determine plan premiums
- In most states, insurance premiums are determine based upon the age of each member (bellybutton) on the policy, resulting in variability of premium cost across the age spectrum.
- Most plans have a “narrow” network that is specific to the region to maintain cost.
- Out of pocket maximums (OPMs) tend to be higher than group commercial market and are set by the Federal government.
- Every market offers variety of plans that are standardize initial metal levels: Broze, Silver, Gold and Platinum (certain markets only)





State by State Plan Year 2024 Issuers on Health Insurance Exchanges

Number of Carriers



Wisconsin Ranks #2 in US

in the Total Number of Health Insurance Issuers on Exchange in 2024. Enhancing the power of choice employees enjoy shopping for the right health benefit coverage.

Location	of Issuers in 2024
1. Texas	15.0
2. Wisconsin	13.0
3. California	12.0
3. New York	12.0
3. Ohio	12.0
6. Illinois	11.0
7. Florida	10.0
8. Georgia	9.0
8. Pennsylvania	9.0
10. Arizona	8.0
10. Idaho	8.0
10. Kansas	8.0
10. Michigan	8.0
10. Missouri	8.0
10. Nevada	8.0
10. North Carolina	8.0
10. Virginia	8.0
10. Washington	8.0



Wisconsin ACA Market Rate Stability

YEAR	INCREASE / DECREASE	PREMIUM RATE ADJUSTMENT
2023	Increase	7.6%
2022	Decrease	.03%
2021	Decrease	3.4%
2020	Decrease	3.2%

Carrier participation along with a robust state reinsurance program has resulted in very stable insurance premium rates!

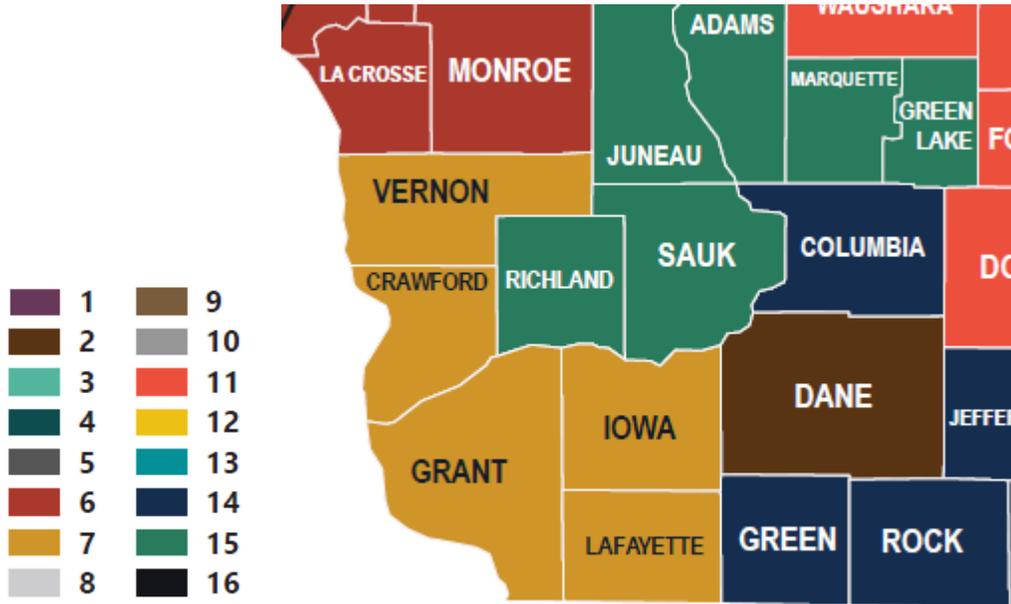
Source: <https://oci.wi.gov/Documents/AboutOCI/2023WIHSPAnnualForumPresentation.pdf>



Richland County

State and Rating Area Review

Current benefit takers located in Wisconsin across 5 Rating Areas. YourWay ICHRA contribution will be **specific by age for every rating area** to provide equitable purchasing power!



State / Rating Area	EE Count	EE Average Age
Rating Area 15	112	47
Richland County, Wisconsin	105	47
Sauk County, Wisconsin	6	45
Juneau County, Wisconsin	1	60
Rating Area 7	63	47
Grant County, Wisconsin	41	47
Vernon County, Wisconsin	15	47
Crawford County, Wisconsin	7	40
Rating Area 12	1	31
Waukesha County, Wisconsin	1	31
Rating Area 2	1	42
Dane County, Wisconsin	1	42
Rating Area 6	1	32
Monroe County, Wisconsin	1	32
Rating Area 5	1	50
Stephenson County, Illinois	1	50
Grand Total	179	47

Richland County

ICHRA Monthly Contribution Schedule

Employees will receive a **monthly ICHRA contribution** based on their age and the age of their spouse / dependent on their health plan. Below is a sample of those contributions by age across the several rating areas:

State	Rating Area	Employee / Member Age		
		26	45	60
WI	Rating Area 15	\$ 405	\$ 571	\$ 1,073
WI	Rating Area 7	\$ 415	\$ 585	\$ 1,100
WI	Rating Area 12	\$ 415	\$ 585	\$ 1,100
WI	Rating Area 2	\$ 369	\$ 520	\$ 978
WI	Rating Area 6	\$ 461	\$ 650	\$ 1,222
IL	Rating Area 5	\$ 584	\$ 824	\$ 1,547



YourWay ICHRA Purchasing Power

2024 Age Banded Rate Analysis & Corresponding Contribution (Age 47)

Richland County

Rating Area 15 – 112 Employees

Avg. Member Age = 47 y/o

Carrier	Plan	Rx Subject to Deductible	Deductible	OPM	Premium	Contribution (Age 47)	Monthly Savings (Cost)	Annual Savings (Cost)
Quartz	ONE BRONZE I205-01 VALUE TIER RX	No - Tier 2	\$ -	\$ 9,250	\$ 530	\$ 618	\$ 88	\$ 1,061
Dean	Bronze HSA-E HDHP 7450X	Yes	\$ 7,450	\$ 7,450	\$ 448	\$ 618	\$ 170	\$ 2,042
Anthem	Anthem Bronze Blue Preferred/Broad 0	No - Tier 2	\$ -	\$ 9,450	\$ 542	\$ 618	\$ 76	\$ 908
Quartz	ONE SILVER I308 VALUE TIER RX DIRECT	No - All Tiers	\$ -	\$ 9,250	\$ 559	\$ 618	\$ 59	\$ 703
Dean	Silver HSA-E HDHP 3600	Yes	\$ 3,600	\$ 7,500	\$ 514	\$ 618	\$ 104	\$ 1,243
Anthem	Anthem Silver Blue Preferred/Broad 4700	No - Tier 2	\$ 4,700	\$ 6,700	\$ 507	\$ 618	\$ 111	\$ 1,336
Quartz	ONE GOLD I403-01 HAS	Yes	\$ 3,500	\$ 3,500	\$ 677	\$ 618	\$ (59)	\$ (708)
Dean	Gold Copay PCP 3000X	No - Tier 1	\$ 3,000	\$ 4,900	\$ 612	\$ 618	\$ 6	\$ 76
Anthem	Gold Blue Preferred/Broad 1000	No - Tier 2	\$ 1,000	\$ 6,800	\$ 686	\$ 618	\$ (68)	\$ (822)

Employees currently paying ~\$71 per month



YourWay ICHRA Family Example

Consistent with how ACA insurance premiums are determined, each member (bellybutton) on an employee's insurance will receive a contribution based on their respective age.

Rating Area – 15

Relationship	Age	ICHRA Contribution
Employee	39	\$ 499
Spouse	42	\$ 524
Dependent	22	\$ 395
Dependent	15	\$ 330
Dependent	13	\$ 303
TOTAL CONTRIBUTION		\$ 2,051

YourWay ICHRA Purchasing Power

2024 Age Banded Rate Analysis & Corresponding Contribution (Family)

Richland County

Rating Area 15 – 112 Employees

Avg. Member Age = 47 y/o

Carrier	Plan	Rx Subject to Deductible	Deductible	OPM	Premium	Contribution (Blended)	Monthly Savings (Cost)	Annual Savings (Cost)
Quartz	ONE BRONZE I205-01 VALUE TIER RX	No - Tier 2	\$ -	\$ 18,900	\$ 1,757	\$ 2,051	\$ 294	\$ 3,529
Dean	Bronze HSA-E HDHP 7450X	Yes	\$ 14,900	\$ 14,900	\$ 1,486	\$ 2,051	\$ 565	\$ 6,786
Anthem	Anthem Bronze Blue Preferred/Broad 0	No - Tier 2	\$ -	\$ 18,900	\$ 1,799	\$ 2,051	\$ 252	\$ 3,022
Quartz	ONE SILVER I308 VALUE TIER RX DIRECT	No - All Tiers	\$ -	\$ 18,500	\$ 1,856	\$ 2,051	\$ 195	\$ 2,341
Dean	Silver HSA-E HDHP 3600	Yes	\$ 7,200	\$ 15,000	\$ 1,707	\$ 2,051	\$ 344	\$ 4,133
Anthem	Anthem Silver Blue Preferred/Broad 4700	No - Tier 2	\$ 9,400	\$ 13,400	\$ 1,681	\$ 2,051	\$ 370	\$ 4,441
Quartz	ONE GOLD I403-01 HAS	Yes	\$ 7,000	\$ 7,000	\$ 2,246	\$ 2,051	\$ (195)	\$ (2,339)
Dean	Gold Copay PCP 3000X	No - Tier 1	\$ 6,000	\$ 9,800	\$ 2,029	\$ 2,051	\$ 22	\$ 262
Anthem	Gold Blue Preferred/Broad 1000	No - Tier 2	\$ 2,000	\$ 13,600	\$ 2,277	\$ 2,051	\$ (226)	\$ (2,716)

Employees Currently Paying ~ \$168 / month for Family Coverage



YourWay ICHRA – Financial Summary

Richland County Total Spend

2025 YourWay ICHRA vs 2025 Group Policy

Assuming a rating increase in the Wisconsin ACA market of 5%, the YourWay ICHRA benefit cost **would be break even** with 2025 health plan.

	2025 Group Health Plan	2025 YourWay ICHRA	Savings (Cost)
Employer Benefit Cost	\$ 3,252,030	\$ 3,232,769	\$ 19,261
Total Employer Spend	\$ 3,252,030	\$ 3,232,769	\$ 19,261
			1%



YourWay ICHRA Benefit Cost Summary

One Time Set Up Fee

\$20,000

- Initial Contribution Schedule & Plan Documentation
- Trust Setup
- One on One Enrollment Sessions
 - Scheduled **400 hours with Tenured Licensed Benefit Specialist** who are trained specifically on plans & carriers in all the markets your employees are located in.

ICHRA Per Participant Per Month (PPPM) Fee - \$35 / EE

\$75,180

- Account Management – a direct extension of your HR team
- Customer Service Call Center – employee support during plan year
- Claims support & administration
- Portal & Mobile applications
- **COBRA Administration**
- Debit Card Program
- **FSA & HSA administration included!**
- 1094 & 1095 Filing

TOTAL SET UP & ICHRA ADMINISTRATIVE FEES Year 1

\$95,180

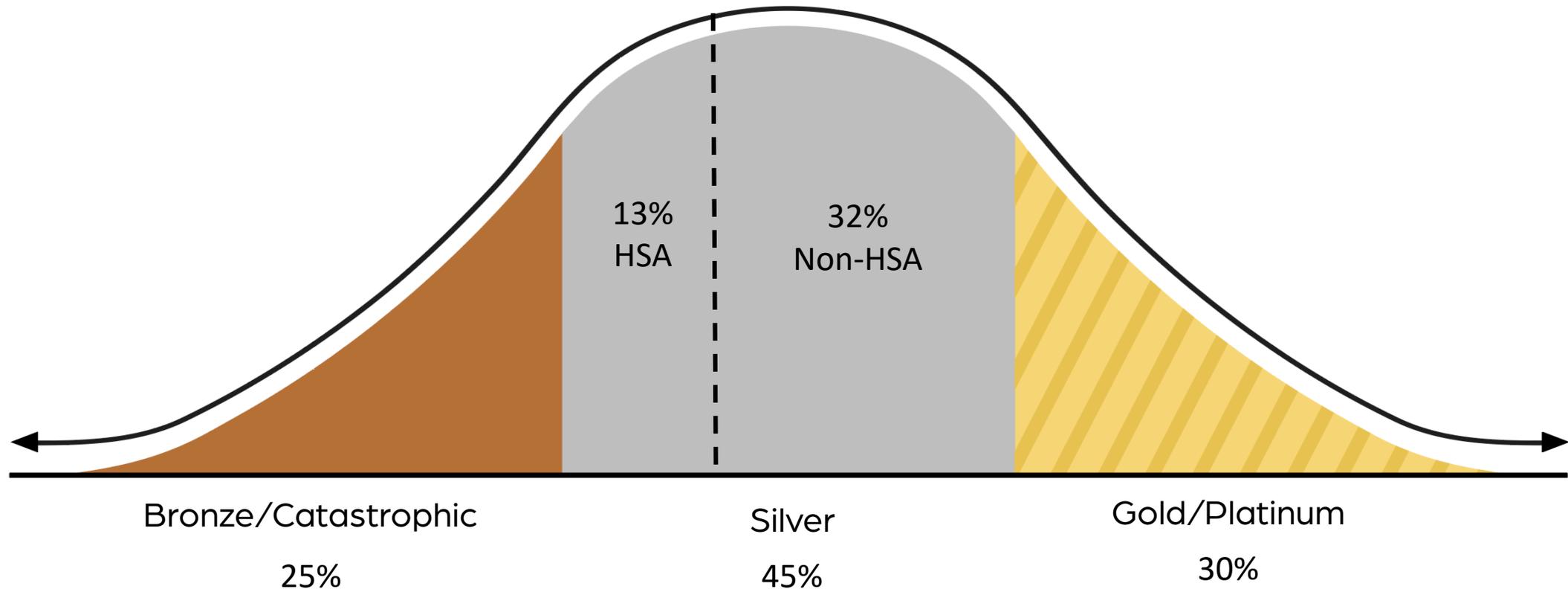
Note: Annual Regulatory & Compliance Fees may apply – all are detailed in a formal proposal



How your employees will SAVE
MORE with the YourWay ICHRA.

Matching Employees to the Right Plan

OneBridge agents align employees to a health plan that **best mitigates** their current out of pocket healthcare cost.



But Wait... There's MORE!

➤ Medicare Advantage

- Employees (and spouses) 65 and old use ICHRA contributions to purchase Medicare policies that are significantly cheaper than ACA plans, leading to ~ 10 – 12K in HRA savings.

➤ Employee + Spouse Plan Selection

- Placing an employee and their spouse on different health plans based upon healthcare utilization

➤ HSA and FSA Education / Elections

- Agents educate employees on how to best utilize tax advantage accounts to pay for out-of-pocket healthcare costs.



Next Steps

1/1/2025

- Collaborate & conclude on a final contribution strategy & benchmark plans
- Schedule “mock” enrollments with employees
- Introduce the Account Management/Implementation team – begin onboarding on or before 10/1/2024

Thank You!

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