

2023 Lasso Healthcare MSA Sales Presentation



About Lasso Healthcare

Lasso Healthcare is a Medicare-market health insurer offering individual Medical Savings Account (MSA) plans in over 35 states plus the District of Columbia.



Lasso Healthcare is the nation's leading MSA carrier. Offering MSAs in more locations and to more members than any other carrier.



To offer best-in-class experience for their members, they've implemented a mixed operational model which includes a qualified third-party administrator, along with a national banking entity to administer the MSA's banking components.

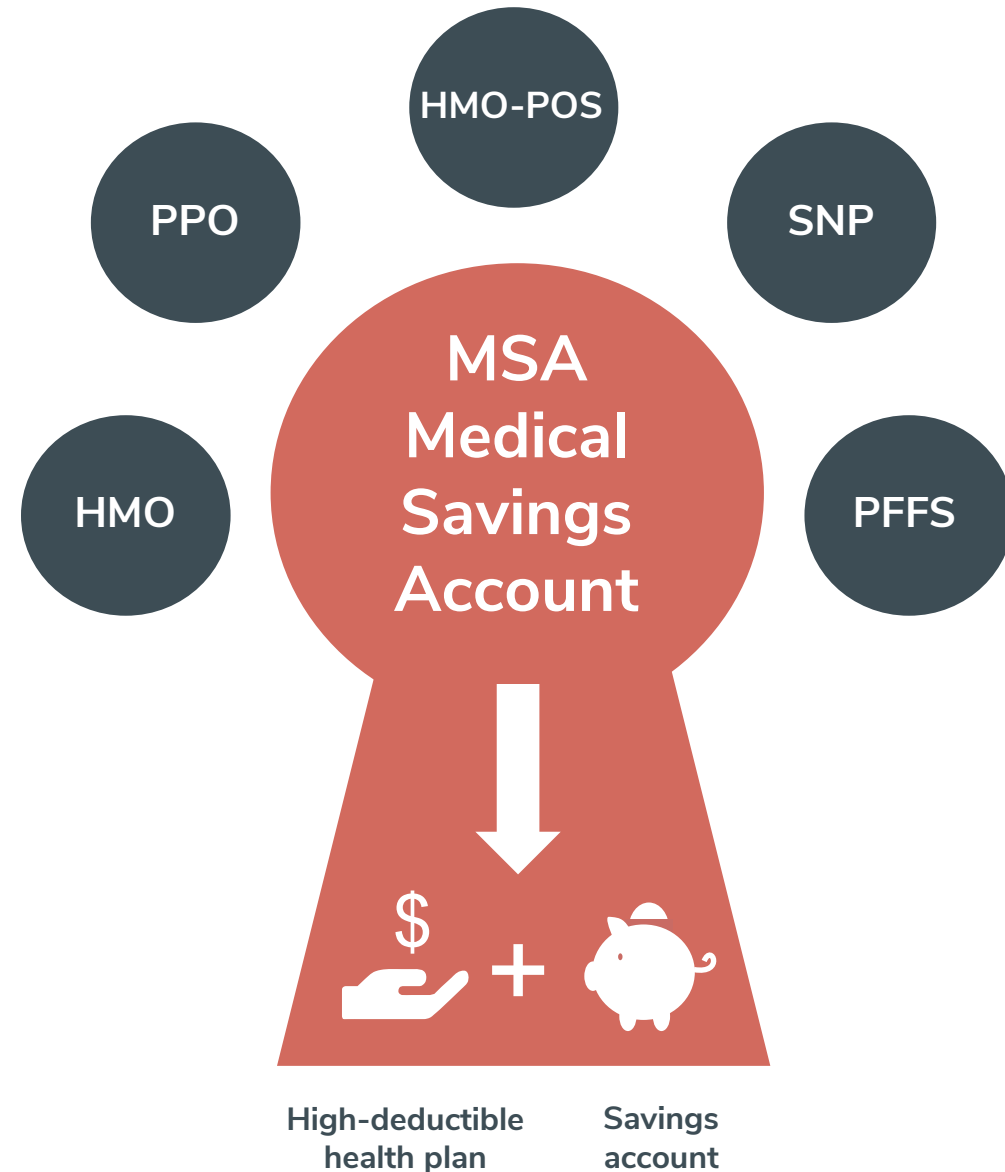


They rely and value agents representing their products. That's why they've partnered with some of the largest national marketing organizations and field marketing organizations working in the Medicare space.

What is an MSA?

The MSA is one type of MA plan featuring a high-deductible health plan combined with a special medical savings account.

Optum Financial, a market leader in health savings accounts, is Lasso Healthcare's chosen banking partner.



How the MSA Works

MSAs are comparatively simple benefit plans - no copays, referrals or prior authorizations - and operate on four basic premises.



1

Lasso Healthcare deposits money from Medicare into your medical savings account annually.



2

You decide how to spend, save, and/or invest the funds.



3

You are responsible for expenses until you reach the plan deductible, then Lasso Healthcare pays 100% of any additional Medicare Part A and Part B expenses incurred.



4

Any funds remaining at year-end belong to you and roll over to the next year.

Joining the MSA Plan

As compared to other MA plans, there are additional requirements to join the MSA plan.

You must:

- ☒ Be Medicare-eligible
- ☒ Live in the Lasso Healthcare MSA service area
- ☒ Reside in the U.S. for 183 days or more during the calendar year
- ☒ Not have other coverage that would cover the MSA plan deductible, including benefits under an employer or union group, TRICARE, the VA or FEHBP
- ☒ Not be currently eligible for Medicaid
- ☒ Not be currently receiving Medicare hospice benefits

MSAs Offer Unique Features and Appeal

MSAs offer a unique combination of features.

These features mean many different types of Medicare beneficiaries can find value in an MSA plan.



Only MA product to give members money

\$0

\$0 premium, by law



No network - access to any Medicare-participating provider



Client-driven choice and flexibility



Potential to grow balance over time



Freedom to choose best Part D plan



Enhanced tax-free expense coverage



Extra perks with member rewards program



Travelers & snow birds



HSA fans



People with in-control chronic conditions



Health enthusiasts



Med Supp enrollees

Individual MSA Enrollment and Disenrollment

Compared to other MA plans, there are limited opportunities to enroll and disenroll in the MSA. Enrollment is typically for a full calendar year.

CMS extends a special accommodation if you are a first-time MSA enrollee entering AEP. If applicable, you are allowed to change your mind and disenroll from the MSA by December 15. However, if you disenroll after December 7 (the end of AEP), your only option is to return to Original Medicare.

*Disenrollment is limited to AEP and SEP circumstances such as:

- A permanent move out of the service area
- Gaining Medicaid eligibility
- Gaining other coverage duplicating Medicare A/B services
- Enrolling in a 5-star MA plan
- Trial Period if you left a Med Supp to enroll into a MA plan for the first time

If you are an MSA member who initially qualified for Medicare due to disability you cannot use the election period surrounding your 65th birthday to disenroll from the MSA. This is otherwise referred to as the IEP2.

Medicare Periods	AEP Annual Enrollment Period	OEP Open Enrollment Period	ICEP Initial Coverage Election Period (at 65)	OEP NEW Open Enrollment Period – Newly Eligible	SEP Special Election Period
Period Timing	Oct 15 – Dec 7	Jan 1 – Mar 31	Birth (entitlement) month + 3 months before + 3 months after	3 months following ICEP	Varies
Enroll in MSA?	Yes	No	Yes	No	No
Coverage Effective	Jan 1	N/A	3-1 mos. prior = first day of entitlement month Birth & 1-3 mos. post = first day of month after completed enrollment form received	N/A	N/A
Disenroll from MSA?	Yes	No	N/A	No	Yes, but limited*

Deposit & Deductible Amounts

Enrollment is generally for a full calendar year, unless you meet certain, limited exceptions, and typically requiring a written disenrollment request.

Assuming the full year enrollment, the plan deposit and deductible are full calendar year amounts. Both are prorated monthly for any enrollment happening within the calendar year*.

**Enrollment
effective January 1**



Receive full-year deposit and are responsible for the full-year deductible

**Enrollment
effective April 1**



Receive 9-month prorated deposit and are responsible for a 9-month prorated deductible

**Disenrollment
effective July 1**



Owe 6-month prorated amount of current year's deposit back to Lasso Healthcare and are responsible for the full-year deductible.

**Remain member
through December 31**



Keep any remaining funds from current year's deposit

*The deductible is NOT prorated for disenrollment. You remain responsible for medical expenses incurred prior to disenrollment up to the full amount of the deductible.

Banking with Optum Financial

CMS requires a special medical savings account be opened for the health plan to fund you. This account must be in your name and cannot be shared with a spouse.

In limited instances, Optum Financial may require identification documents such as a copy of your government issued Photo ID and Social Security card in addition to the application.

If the account cannot be established, membership into the plan will be declined.



Optum Financial must establish a medical savings account for you within the CMS required timeframe for us to process the application.

Optum Financial Member Benefits



No custodial fees as long as individual remains a Lasso Healthcare member*



A debit card linked to Optum Financial account for using MSA funds



Interest earned on account balance; see current rates on Optum Financial's website



Monthly electronic statements showing account activity

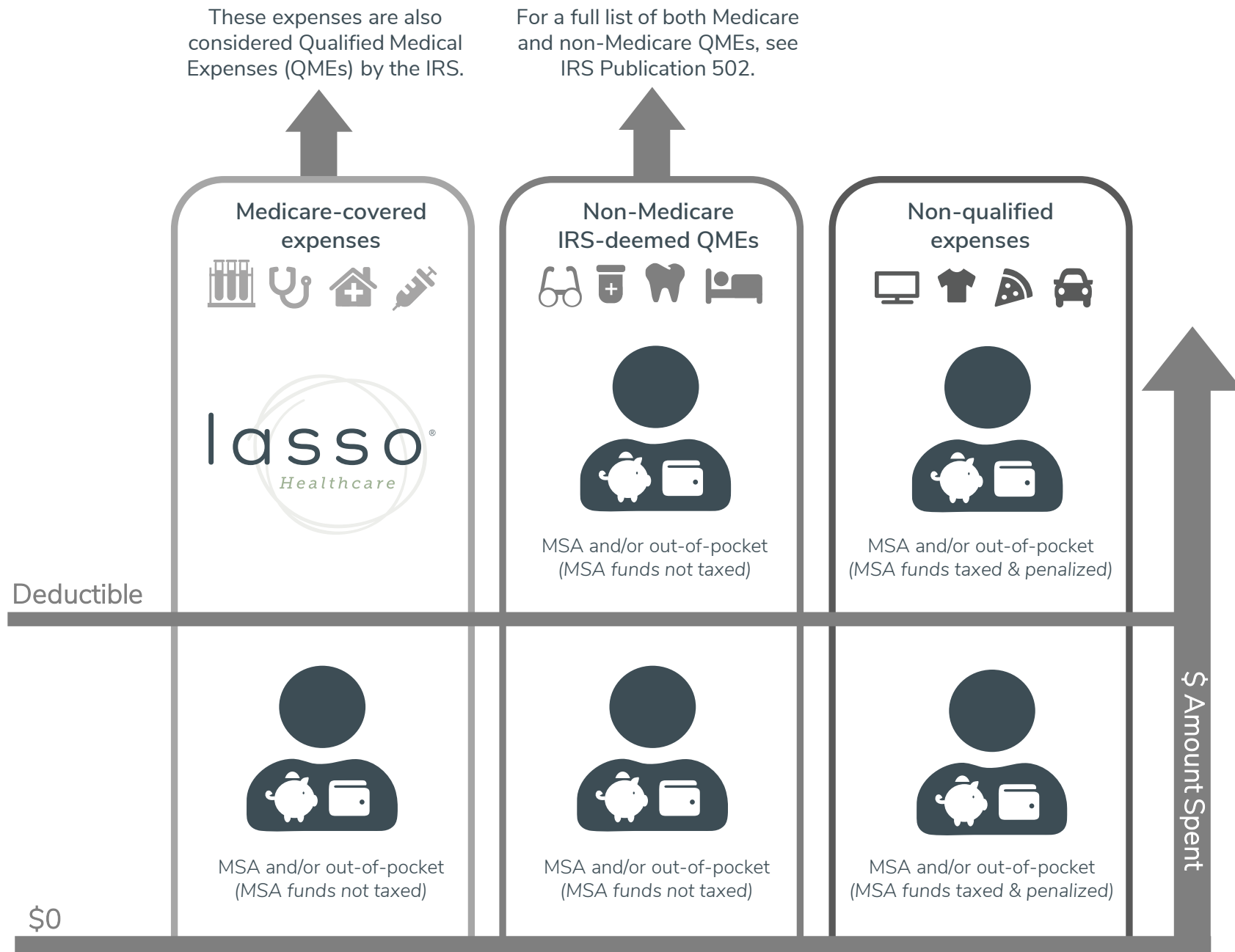


Option to invest any balance over \$2,000 to potentially grow funds

*Monthly maintenance fees will be charged if the account holder is no longer a Lasso Healthcare MSA member; alternatively, the account holder can transfer funds to a custodian of their choice, subject to a transfer fee.

Payment Responsibility with the MSA

Lasso Healthcare pays any additional Medicare-covered services incurred after you reach the plan deductible. You are responsible for all other expenses. Remember, MSA funds are only taxed and penalized if used on non-qualified expenses.









Tax Implications

MSAs offer tax advantages unique to MA, but also have special reporting requirements that must be followed.

- ✓ Funds are not taxed when deposited into the medical savings account
- ✓ Funds, and any gains, are not taxed while they remain in the account
- ✓ Funds, and any gains, are not taxed upon withdrawal, if used for Qualified Medical Expenses
- ✓ Optum Financial sends you a Form 1099-SA if MSA funds are withdrawn during the year (any amount/reason)
- ✓ If MSA funds were used during the year (any amount/reason), you must file both IRS Forms 8853 and 1040, even if not otherwise required to file an income tax return
- ✓ Review IRS Publications 969 and 502, and speak with a tax advisor for more information




Prescription Drug & Ancillary Coverages

Additional, limited benefit policies can be purchased that best fit your needs. MSA funds can be used tax-free to pay for items such as the plan copays or deductibles.

COMMON COVERAGES	Use MSA funds tax-free on:			
	Premiums	Copays	Coinsurance	Deductibles
 Standalone Medicare Prescription Drug (Part D) Plan		✓	✓	✓
 Hospital Indemnity Policy (HIP)		✓	✓	✓
 Critical Illness Insurance		✓	✓	✓
 Long-term Care (LTC)	✓	✓	✓	✓
 Dental		✓	✓	✓
 Vision		✓	✓	✓

Clinical Access in the MSA

With no plan network and access to all Medicare providers, you are free to see any provider you choose, but get the most value by seeing Medicare-participating providers.

	Medicare-Participating	Medicare Non-participating	Medicare Opt-Out
 PROVIDER ACCESS	<p>Our plans do not have a network of providers, so you choose your health care services and providers. Many providers accept the MSA, including some of the largest and most renowned health systems.</p> <p>Providers can decide at every visit whether to accept the Plan and agree to treat you; however, you cannot be denied emergency care due to your insurance plan.</p> <p>Before receiving any services, you are encouraged to share Lasso Healthcare's detailed provider guide with providers and confirm they'll accept our Plan. Providers may also call the Lasso Healthcare Provider Services team for assistance.</p>		
 SERVICE CHARGES	You pay lesser of billed charges or 100% of Medicare allowable rates	Same as PAR, but may include up to a 15% limiting charge in certain states	Private contract between you and your provider; billing not limited by Medicare
 PLAN HANDLING	Medicare-covered charges count toward deductible	Excess charges not reimbursed by plan, do not count toward deductible	Charges not reimbursed by plan, do not count toward deductible

How MSA Claims Work

Claims under the MSA work like any other MA plan with \$0 copay – claims are submitted to Lasso Healthcare for repricing and a check to see if the plan deductible has been met to determine payment responsibility.

1. You see Medicare-participating provider (\$0 copay)



2. Provider bills visit to Lasso Healthcare



3. Lasso Healthcare reprices to 100% Medicare rate



4. Lasso Healthcare checks progress toward deductible



5. Lasso Healthcare sends you monthly Explanation of Benefits



4A. Lasso Healthcare pays provider



Met



Not Met



4B1. Lasso Healthcare notifies provider of your responsibility



4B3. You pay provider (MSA funds or out-of-pocket)



4B2. Provider invoices you



Lasso Healthcare Rewards Program

The Lasso Healthcare Rewards Program encourages you to seek smart, preventive care, offering extra perks for participation.

You can use MSA funds on preventive services tax-free, and those services count toward the plan deductible.

The activities can be done through your selected provider, or and for most members virtually through our partner, Oak Street Health.



Partnering with NationsBenefits

Lasso Healthcare's partner, NationsBenefits brings enhancements to its rewards program. You are sent a reloadable rewards card which will be loaded with funds each time an activity is submitted. We encourage you to use the funds towards living a healthy lifestyle like for the purchase of over-the-counter medications and supplements, health-related equipment such as bandages and braces, and groceries for a healthy diet.

You also have your own log-in for the NationsBenefits online portal to check account balances and make purchases.



You submit your completed activity form



You receive a reloadable rewards card from NationsBenefits



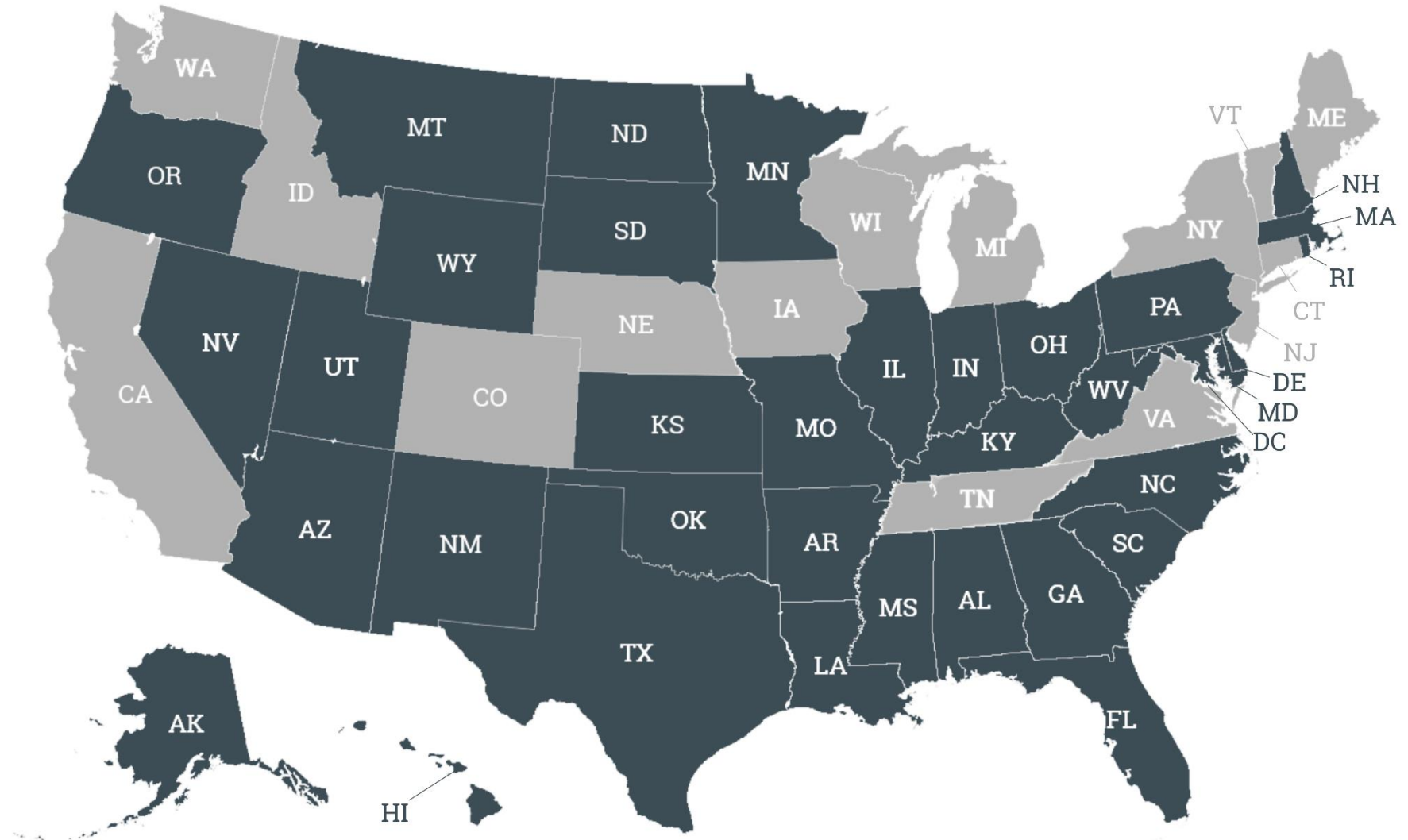
Funds can be used on
health-related items &
healthy foods at drug or
grocery stores



Funds can be used on
NationsBenefits
website purchases

2023 Service Area

Since entering the market, Lasso Healthcare has expanded its service area from 17 states to 35 states plus the District of Columbia.



2023 Plan Designs

Lasso Healthcare offers two competitive plan designs which are available in every county across the service area.

Lower
risk
option



Higher
reward
option

GROWTH MSA

Deposit	\$2,000
Deductible	\$5,000
Your Responsibility	\$3,000

GROWTH PLUS MSA

Deposit	\$3,000
Deductible	\$8,000
Your Responsibility	\$5,000

Growth MSA, \$2k/\$5k Design: Value Proposition

Comparing Plan G to the MSA and the long-term expense. This example shows a client with low utilization and high utilization over a 10-year period.

*Comparison uses an average Plan G premium of \$120 per month with an average annual increase of 7%. The rates displayed are for illustrative purposes only, please contact your current or prospective Medicare Supplement carrier for actual rates and historical increase percentages. Medical expense of \$233 is the 2022 Plan G cost sharing, which is subject to change annually.

Low Utilization

\$500 Annual Medical Expense			
MSA		Plan G	
Year	Deposit	Year	Premium
1	\$ 2,000.00	1	\$ (1,440.00)
2	\$ 2,000.00	2	\$ (1,540.80)
3	\$ 2,000.00	3	\$ (1,648.66)
4	\$ 2,000.00	4	\$ (1,764.06)
5	\$ 2,000.00	5	\$ (1,887.55)
6	\$ 2,000.00	6	\$ (2,019.67)
7	\$ 2,000.00	7	\$ (2,161.05)
8	\$ 2,000.00	8	\$ (2,312.33)
9	\$ 2,000.00	9	\$ (2,474.19)
10	\$ 2,000.00	10	\$ (2,647.37)
	\$ 20,000.00		\$ (19,895.68)
Year	Medical Expense	Year	Medical Expense
1	\$ (500.00)	1	\$ (233.00)
2	\$ (520.00)	2	\$ (233.00)
3	\$ (540.80)	3	\$ (233.00)
4	\$ (562.43)	4	\$ (233.00)
5	\$ (584.93)	5	\$ (233.00)
6	\$ (608.33)	6	\$ (233.00)
7	\$ (632.66)	7	\$ (233.00)
8	\$ (657.97)	8	\$ (233.00)
9	\$ (684.28)	9	\$ (233.00)
10	\$ (711.66)	10	\$ (233.00)
	\$ (6,003.06)		\$ (2,330.00)
Total:	\$ 13,996.94		\$ (22,225.68)

High Utilization

7 Inpatient Visits in 7 out of 10 Years			
MSA		Plan G	
Year	Deposit	Year	Premium
1	\$ 2,000.00	1	\$ (1,440.00)
2	\$ 2,000.00	2	\$ (1,540.80)
3	\$ 2,000.00	3	\$ (1,648.66)
4	\$ 2,000.00	4	\$ (1,764.06)
5	\$ 2,000.00	5	\$ (1,887.55)
6	\$ 2,000.00	6	\$ (2,019.67)
7	\$ 2,000.00	7	\$ (2,161.05)
8	\$ 2,000.00	8	\$ (2,312.33)
9	\$ 2,000.00	9	\$ (2,474.19)
10	\$ 2,000.00	10	\$ (2,647.37)
	\$ 20,000.00		\$ (19,895.68)
Year	Medical Expense	Year	Medical Expense
1	\$ (5,000.00)	1	\$ (233.00)
2	\$ (5,000.00)	2	\$ (233.00)
3	\$ (5,000.00)	3	\$ (233.00)
4	\$ (562.43)	4	\$ (233.00)
5	\$ (5,000.00)	5	\$ (233.00)
6	\$ (608.33)	6	\$ (233.00)
7	\$ (5,000.00)	7	\$ (233.00)
8	\$ (5,000.00)	8	\$ (233.00)
9	\$ (5,000.00)	9	\$ (233.00)
10	\$ (711.66)	10	\$ (233.00)
	\$ (36,882.42)		\$ (2,330.00)
Total:	\$ (16,882.42)		\$ (22,225.68)

Growth Plus MSA, \$3k/\$8k Design: Value Proposition

Comparing Plan G to the MSA and the long-term expense. This example shows a client with low utilization and high utilization over a 10-year period.

*Comparison uses an average Plan G premium of \$120 per month with an average annual increase of 7%. The rates displayed are for illustrative purposes only, please contact your current or prospective Medicare Supplement carrier for actual rates and historical increase percentages. Medical expense of \$233 is the 2022 Plan G cost sharing, which is subject to change annually.

Low Utilization

\$500 Annual Medical Expense			
MSA		Plan G	
Year	Deposit	Year	Premium
1	\$ 3,000.00	1	\$ (1,440.00)
2	\$ 3,000.00	2	\$ (1,540.80)
3	\$ 3,000.00	3	\$ (1,648.66)
4	\$ 3,000.00	4	\$ (1,764.06)
5	\$ 3,000.00	5	\$ (1,887.55)
6	\$ 3,000.00	6	\$ (2,019.67)
7	\$ 3,000.00	7	\$ (2,161.05)
8	\$ 3,000.00	8	\$ (2,312.33)
9	\$ 3,000.00	9	\$ (2,474.19)
10	\$ 3,000.00	10	\$ (2,647.37)
	\$ 30,000.00		\$ (19,895.68)
Year	Medical Expense	Year	Medical Expense
1	\$ (500.00)	1	\$ (233.00)
2	\$ (520.00)	2	\$ (233.00)
3	\$ (540.80)	3	\$ (233.00)
4	\$ (562.43)	4	\$ (233.00)
5	\$ (584.93)	5	\$ (233.00)
6	\$ (608.33)	6	\$ (233.00)
7	\$ (632.66)	7	\$ (233.00)
8	\$ (657.97)	8	\$ (233.00)
9	\$ (684.28)	9	\$ (233.00)
10	\$ (711.66)	10	\$ (233.00)
	\$ (6,003.06)		\$ (2,330.00)
Total:	\$ 23,996.94		\$ (22,225.68)

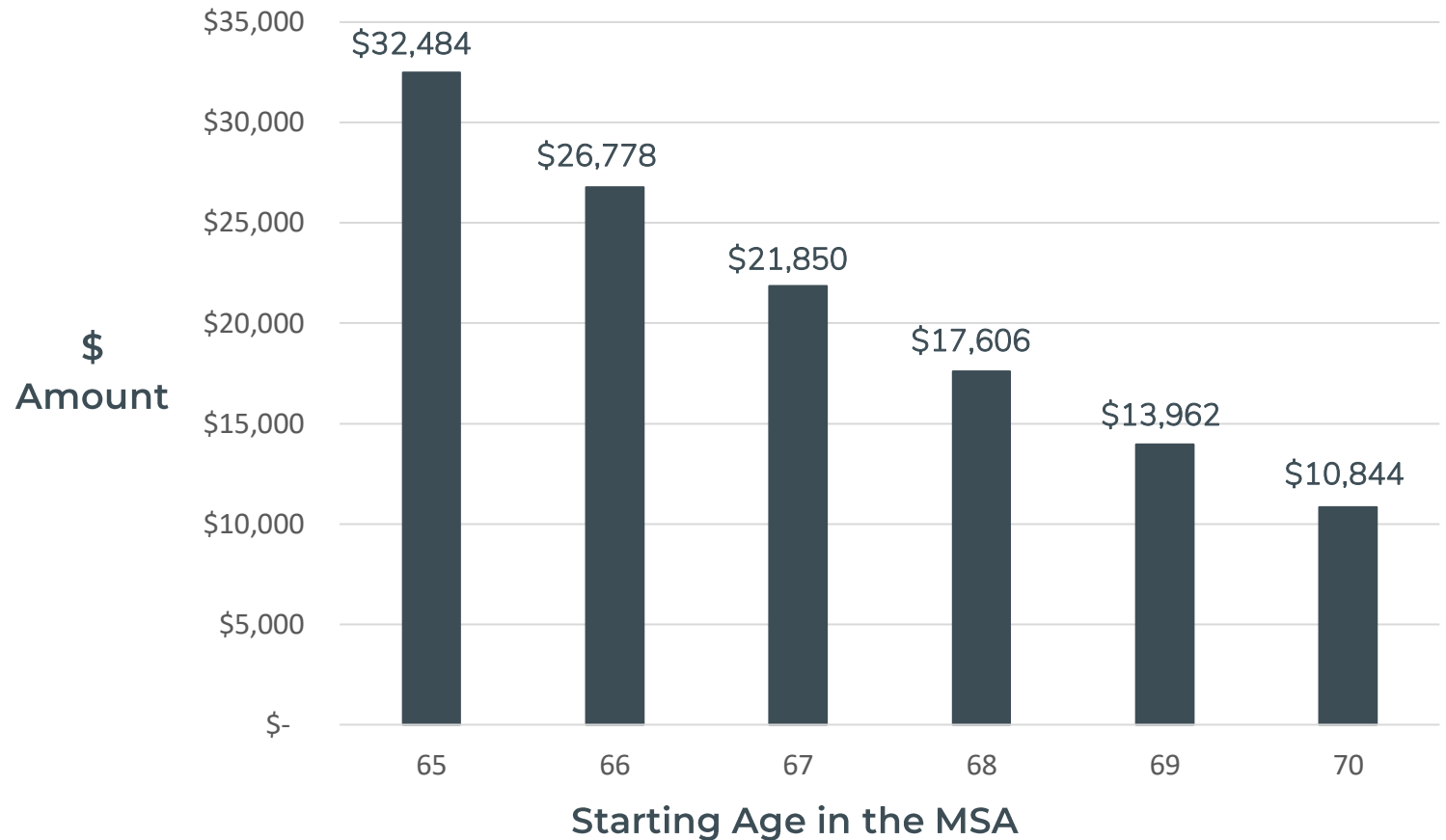
High Utilization

7 Inpatient Visits in 7 out of 10 Years			
MSA		Plan G	
Year	Deposit	Year	Premium
1	\$ 3,000.00	1	\$ (1,440.00)
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3	\$ (8,000.00)	3	\$ (233.00)
4	\$ (562.43)	4	\$ (233.00)
5	\$ (8,000.00)	5	\$ (233.00)
6	\$ (608.33)	6	\$ (233.00)
7	\$ (8,000.00)	7	\$ (233.00)
8	\$ (8,000.00)	8	\$ (233.00)
9	\$ (8,000.00)	9	\$ (233.00)
10	\$ (711.66)	10	\$ (233.00)
	\$ (57,882.42)		\$ (2,330.00)
Total:	\$ (27,882.42)		\$ (22,225.68)

The Earlier, The Better

With an annual deposit and a \$0 monthly premium, many members can grow their funds over time. Add in time value of money, and there is a significant, compelling reason to start membership as early as possible.

Total Savings (MSA Balance) at Age 75



Assumes \$3,000 annual deposit, usage/expenses starting at \$1,000 per year and growing to \$2,000 per year and investment return of 10%.

Maximizing Value and Health

With just a little discipline, the power of the MSA can be harnessed so you get the most financial value - and better health - from your plan.

1



Establish a plan to cover your responsibility portion of the health costs.

2



Partner with providers, be a good patient and health care consumer - and live a healthier lifestyle.

3



Limit MSA funds used on non-qualified expenses.

4



Consider investing excess MSA funds to potentially grow money for future health expenses.

Plan Enrollment and Setup

Enrollment in the Lasso Healthcare MSA plan is easy and includes establishing both your Lasso Healthcare-backed health insurance, plus your Optum Financial-administered savings account.



You complete the enrollment application.



Lasso Healthcare sets up both your health insurance plan and your medical savings account.



Lasso Healthcare deposits the funds into your medical savings account.



You receive a Lasso Healthcare Member ID card, a Provider card, and an Optum Financial debit card linked to your savings account.

Enroll Today

Looking forward to
servicing you as a
Lasso Healthcare
member in 2023!



Online:
www.lassohealthcare.com



Fax:
1-866-365-2776



Phone:
1-877-925-2776



Mail:
225 West Washington St.
Suite 450, Chicago, IL 60606

Questions? 1-833-925-2776 / TTY: 711

October 1 - March 31: 8 a.m. - 8 p.m. 7 days a week

April 1 - September 30: 8 a.m. - 8 p.m. Monday – Friday



Lasso Healthcare Insurance Company
lassohealthcare.com

