

Bank Health Care

CONSORTIUM

OF PENNSYLVANIA

Leavitt Group

WEBBER ADVISORS

PA
Bankers
SERVICES CORPORATION

BENECON

A UNIQUE HEALTH CARE ALTERNATIVE

for Pennsylvania-Based Financial Institutions and
Affiliate Members of the PA Bankers Association

YOUR TEAM

IS YOUR MOST VALUABLE ASSET

The Bank Health Care Consortium of PA offers employee benefits that provide you with strategic tools your organization can utilize to develop, retain and reward those who serve your institution and customers.

WHAT IS THE BANK HEALTH CARE CONSORTIUM OF PA (BHCCPA)?

The BHCCPA is a unique health care alternative for Pennsylvania-based financial institutions and Affiliate Members of the PA Bankers Association. Since its launch in July 2007, the PA Bankers Services Corporation, Webber Advisors and The Benecon Group have collaborated to provide every consortium member with leverage and benefits of economies of scale, plan design flexibility and significant cost control strategies for their group health plan.

WHY CONSIDER THE CONSORTIUM?

The value of the program is based upon the collective efforts of the entire consortium. Every additional member reinforces the alliance and the ability to control your own destiny. In addition, as health care reform legislation continues, a self-funded program will aid every organization in positioning themselves to better control long-term costs. Participants not only have the ability to change the game, but be part of the solution!

WHO MAY PARTICIPATE IN THE CONSORTIUM?

Pennsylvania-based financial institutions or Affiliate Members of the PA Bankers Association in good standing may participate in the program. These members must:

- » Be headquartered within Pennsylvania;
- » Retain a minimum of 50 lives (Certain carriers permit 35);

- » Maintain financial strength; and
- » Exhibit healthy claims history.

WHEN SHOULD MY ORGANIZATION BEGIN THE PROCESS?

Building a robust, cost-effective benefits plan for your workforce takes proactive planning and diligent review. Often times, insurance carriers back organizations into a corner by providing renewal rates with limited time to evaluate alternative options. The consortium model shifts renewal timing, control of participation rates, plan design, carrier selection and control of administrative/legal expenses from the carrier/broker to the customer. To provide your organization with the appropriate timeframe to review and consider participation, contact us six months prior to your renewal.

HOW WILL MY ORGANIZATION BENEFIT FROM BANK HEALTH CARE CONSORTIUM OF PA MEMBERSHIP?

- » Ability to credit surplus funds toward future health care costs
- » Ability to leverage group purchasing power
- » All costs associated with the program are fully disclosed and shared by all participants, including administrative and legal expenses
- » Custom selection of plan design and carrier by organization
- » Discounts for packaging of life, short- and long-term disability insurance, and voluntary worksite products



- » Economies of scale premium pricing
- » Exceptional customer service and support to the bank and its employees
- » Financial institutions have equal representation on the consortium board
- » Monthly monitoring of plan performance and cost of benefit
- » Multiple healthcare options including medical and prescription plans, as well as vision and dental programs
- » Protection from excessive costs in years when high/shock medical claims are experienced
- » Reduced premium taxes
- » Reduced renewal rates controlled by actuaries that work for you
- » Wellness and disease management programs to reduce claims and control costs

BANK HEALTH CARE CONSORTIUM OF PA PARTNERS

PA BANKERS SERVICES CORPORATION

The PA Bankers Services Corporation is the for-profit subsidiary of the PA Bankers Association and is dedicated to providing innovative products and services to its members. The Services Corp. is responsible for marketing the consortium to financial institutions and affiliate members, coordinating meeting logistics and facilitating communication with the board of directors.

WEBBER ADVISORS

Webber Advisors is an employee benefits and retirement plan administration firm that specializes in the financial services industry. Webber Advisors is responsible for consortium management, implementation and enrollment, customer service, claims support, and benefits planning and management.

THE BENECON GROUP

The Benecon Group (Benecon) specializes in developing and managing group purchasing consortiums for both private and public sector employees. Benecon manages 14 consortiums consisting of 1,650+ employer groups. Applying their 30+ years of consortium experience, the Benecon team is responsible for consortium development, marketing support, underwriting, rate development, actuarial analysis, funding development, billing, financial management, reporting, compliance, and overall program management and oversight.



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CONTACT INFORMATION

PA BANKERS SERVICES CORPORATION

Wayne Whipple
Vice President, Business Development
(717) 255-6925
wwhipple@pabankers.com

WEBBER ADVISORS

Brad Webber
Marketing/Sales Manager
(814) 695-8066 x4186
bwebber@webberadvisors.com

THE BENECON GROUP

Zachary Peirson
Vice President, Program Management
(717) 940-5882
zpeirson@benecon.com

44 BANKS & COUNTING!

Bank Health Care Consortium of PA GLOBAL FUNDING FIGURES

| Year Ending | # of Groups | Enrollment | Estimated Lives | Admin Fee | Management Fee | Aggregate Premium | Stop Loss Premium | Agg Claim Fund | Total Funding | Surplus Returned | Approximate Admin Savings |
|----------------|-------------|------------|-----------------|--------------|----------------|-------------------|-------------------|----------------|-----------------|------------------|---------------------------|
| 2008 | 15 | 2170 | 3400 | \$1,067,382 | \$607,749 | \$350,792 | \$2,221,832 | \$10,090,597 | \$14,338,353 | \$843,995 | \$1,465,740 |
| 2009 | 18 | 2475 | 4108 | \$1,249,805 | \$696,549 | \$401,355 | \$2,876,388 | \$14,337,091 | \$19,561,188 | \$2,014,661 | \$1,808,377 |
| 2010 | 21 | 2816 | 4693 | \$1,436,245 | \$766,685 | \$634,565 | \$3,704,192 | \$18,399,292 | \$24,940,980 | \$4,722,088 | \$1,937,147 |
| 2011 | 25 | 3153 | 5320 | \$1,856,794 | \$991,392 | \$809,885 | \$4,832,703 | \$24,413,018 | \$32,903,792 | \$4,640,270 | \$2,421,765 |
| 2012 | 28 | 3418 | 5755 | \$2,072,935 | \$1,085,467 | \$638,481 | \$5,603,720 | \$27,425,169 | \$36,825,772 | \$5,182,470 | \$2,763,602 |
| 2013 | 32 | 3770 | 6360 | \$2,238,008 | \$1,204,932 | \$683,634 | \$6,620,297 | \$30,941,332 | \$41,688,203 | \$6,308,488 | \$3,012,573 |
| 2014 | 31 | 3714 | 6321 | \$2,342,008 | \$1,354,287 | \$360,109 | \$7,307,171 | \$33,645,231 | \$45,008,806 | \$6,236,551 | \$3,285,619 |
| 2015 | 32 | 3765 | 6339 | \$2,286,685 | \$1,353,874 | \$355,446 | \$7,717,060 | \$34,972,273 | \$46,685,338 | \$6,927,911 | \$3,589,474 |
| 2016 | 34 | 3944 | 6610 | \$2,419,340 | \$1,452,710 | \$369,687 | \$10,229,279 | \$38,819,922 | \$53,290,938 | \$7,374,155 | \$4,633,724 |
| 2017 | 34 | 4366 | 7242 | \$2,531,609 | \$1,547,178 | \$400,572 | \$11,518,427 | \$43,451,435 | \$59,449,221 | \$8,922,314 | \$4,672,483 |
| 2018 | 34 | 4587 | 7566 | \$2,546,989 | \$1,663,568 | \$424,456 | \$13,225,815 | \$48,768,755 | \$66,629,582 | \$10,883,513 | \$3,402,203 |
| 2019 | 38 | 5040 | 8271 | \$1,743,664 | \$1,853,339 | \$452,290 | \$14,217,273 | \$53,615,587 | \$71,882,153 | \$10,790,246 | \$4,609,021 |
| 2020 | 43 | 6092 | 9886 | \$1,641,764 | \$2,393,657 | \$549,870 | \$18,334,043 | \$65,778,631 | \$88,697,966 | \$16,710,179 | \$6,006,772 |
| 2021 | 43 | 6188 | 9946 | \$1,462,140 | \$2,518,651 | \$562,634 | \$19,778,760 | \$70,384,815 | \$94,707,000 | \$13,949,124 | \$6,740,908 |
| 2022 | 45 | 6255 | 9930 | \$1,121,580 | \$2,551,689 | \$562,390 | \$20,891,602 | \$71,061,145 | \$96,188,405 | \$11,615,411 | \$7,500,456 |
| 2023 | 46 | 6599 | 10374 | \$1,138,149 | \$2,660,083 | \$582,388 | \$23,012,444 | \$78,734,805 | \$106,127,870 | \$9,306,005 | \$8,646,501 |
| 2024 | 44 | 6452 | 10070 | -\$780,789 | \$3,097,877 | \$721,135 | \$24,039,389 | \$84,741,850 | \$111,819,461 | \$11,933,289 | \$10,765,478 |
| *As of Q1 2025 | | | Total: | \$28,374,309 | \$27,799,689 | \$8,859,688 | \$196,130,394 | \$749,580,948 | \$1,010,745,029 | \$138,360,670 | \$77,261,843 |

The consortium currently works with the following networks:



*Carrier selection and customization of plan design will vary based on size and location of organization.

Benefits of Self-Funding with Bank Health Care Consortium of PA

| | Bank Health Care Consortium | Stand Alone Self-Funding | Fully-Insured Funding |
|--|-----------------------------|--------------------------|-----------------------|
| Guaranteed annual premium for the plan year | ◆ | | ◆ |
| Lower carrier administration cost | ◆ | ◆ | |
| Only pay your actual claims plus fixed expenses | ◆ | ◆ | |
| Greater flexibility in plan design & claim eligibility | ◆ | ◆ | |
| Eliminate PPACA premium taxes and federal benefit mandates | ◆ | ◆ | |
| Stop-loss renewals based on actual projections not loss ratio | ◆ | | |
| No lasinger at renewal or late discovery of submission claims | ◆ | | |
| Member manages all claim fund surpluses | ◆ | | |
| Enables mid-market employers (50+ employees) the safest method to self-fund their benefit plan | ◆ | | |

TESTIMONIALS

The Bank Health Care Consortium of PA has produced real value for the employees of The Northumberland National Bank. Our health insurance rates are clearly more reasonable compared to when we contracted directly with the health insurers. Benecon and Webber Advisors provide outstanding service in helping both our Human Resources Department and our employees understand the complex billing processes that dominate American health care today. I strongly recommend that all Pennsylvania banks look to the BHCCPA as a cost-effective alternative for their health benefits.

Mark A. Ritter

*Executive Vice President & Chief Administrative Officer
The Northumberland National Bank*

"Before we joined the Bank Health Care Consortium of PA, we were under the control of insurance companies that would arbitrarily increase our costs and say, 'sorry, this is the best we could do.'

Now, with the combined buying power of dozens of banks, we can keep costs relatively stable, even when we have experienced a year with higher claims.

Univest has been able to provide comprehensive healthcare to our employees and their family members while maintaining costs through the self-funding consortium model. This has enabled us to provide affordable healthcare without passing on large increases to our employees."

M. Theresa Fosko

*Executive Vice President, Chief Human Resources Officer
Univest Corporation of PA*

"As a founding member of the Bank Health Care Consortium of PA, The Dime Bank has always understood the value of being self-funded. We appreciate the ability to have greater freedom with plan design, the transparency of claims information and the in-person support of the PA Bankers Services Corporation, Benecon and Webber Advisors. **The biggest reason why we stay in the consortium is the ability to retain huge savings on administrative fees that we would have otherwise paid an outside vendor.**"

Jill George

*SVP, Human Resources
The Dime Bank*

"The consortium has been a successful strategic piece of our human resource function. The self-funded model has allowed us to maintain an excellent health care plan for our employees while keeping the cost affordable. **F&M Trust employees are engaged in every aspect of their healthcare maintenance and we are seeing the benefits**, resulting in better health for our employees and stabilized renewal costs year after year."

Timothy G. Henry

*President & CEO
F&M Trust*