

2021 Spring Broker Forums



Welcome!



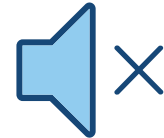
Gracelyn McDermott

Vice President

*Marketing, Sales, Business
Development*

Housekeeping

1. Everyone is on mute, but please participate!
2. Submit questions through the Chat feature
3. We will distribute the slide deck after today's presentation



Agenda

- ✓ State of the Region
- ✓ Legislative Updates
- ✓ Product Update and Rate Position
- ✓ Successful Sales Strategies
- ✓ Bonus Opportunities
- ✓ Administrative Updates
- ✓ Q & A

RE-Introducing New Mid-Atlantic State Leadership



Gracelyn McDermott

Vice President

Marketing, Sales,
Business Development



Brian Diemar

Director

Sales

Your support teams remain the same



Brian Diemar

Senior Manager
Large Group Sales



Sam Abunassar

Director
Account Management
DC/Suburban Maryland



Karen Binder

Senior Director
Channel Strategy



Sara Mayes

Manager
Small Group Sales



Calvin Holmes

Manager
Account Management
Baltimore



Ashley Wallace

Director
Account Management
Northern Virginia & Labor



Christine Wirth

Manager
Channel Strategy

State of the Region

We are the region's largest integrated health system...

1,600+
physicians

deliver high-quality care to
Kaiser Permanente members

780,000+
people

get care + coverage
from Kaiser Permanente



\$5.1 B
revenue



8,000+
employees

improving the health
of people + communities



33+

Medical Centers and growing



11

Premier hospitals



....serving our members, patients and communities



Kaiser Permanente Residency Program



Same-Day Joint Replacements



Chronic Conditions Management Program



A QUALITY PROGRAM
of the AMERICAN COLLEGE
OF SURGEONS



Lutathera
Cancer Treatment



Innovative Pharmacy Services



Nation's only mammography
results in <1 hour



Fetal Medicine Program

Training tomorrow's physicians



THE GEORGE
WASHINGTON
UNIVERSITY
WASHINGTON DC



Georgetown
University

The evolving market and competitive landscape

Continued Market Uncertainty/Change

■ Population Vaccination



■ Economic Recovery



■ Increased and Likely Permanent Telework



Health Access/Capability/Equity Expansion

■ TeleHealth Becomes Mainstream; Amazon Entry



TeleHealth/
Home Visits

■ Pandemic Prompts Health Coverage Call to Action



New and Ongoing Health Plan Dynamics

■ Mental Health Services/Wellness Perks Demand



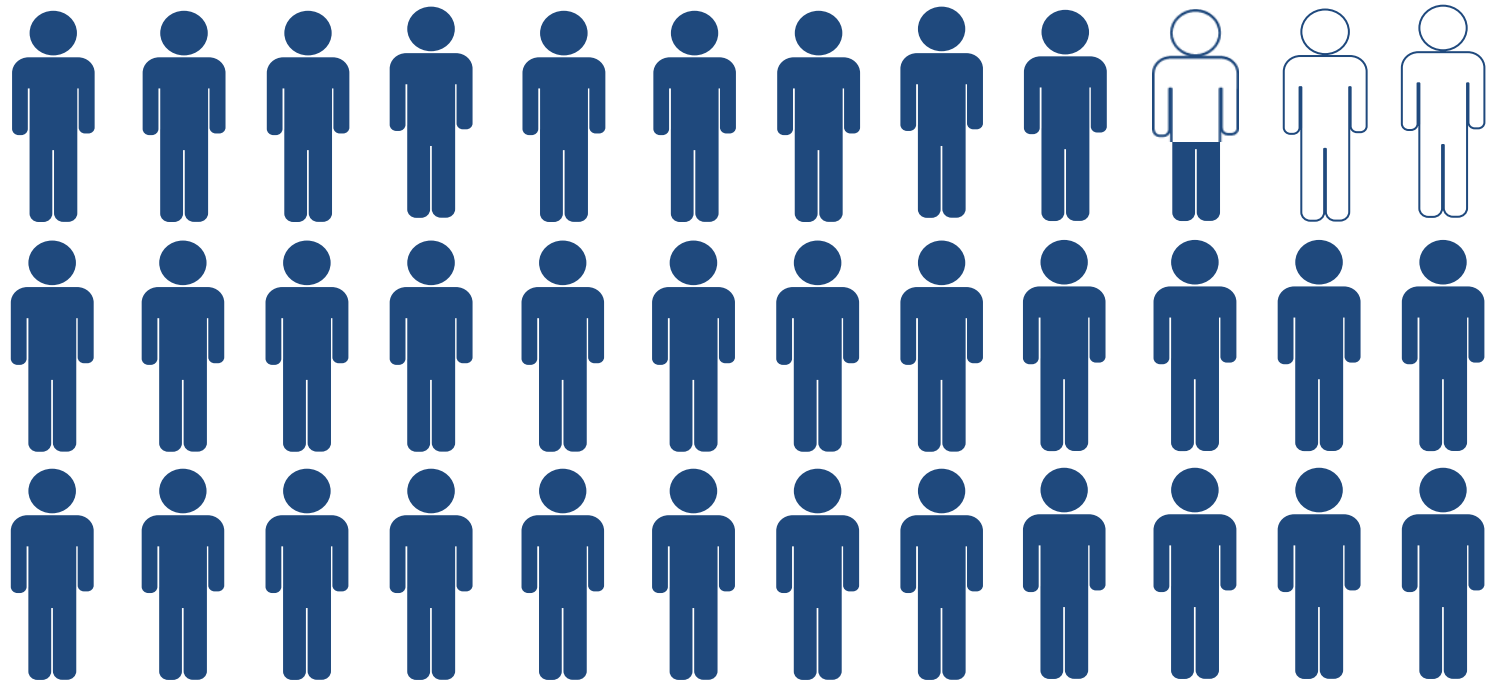
■ ACA Markets Revitalized w/ American Rescue Plan and State Actions



Our Foundation is Strong

Consistently high retention rates create stability in the market and make your jobs easier.

93% retention across all lines of business



2021 Expansion and Beyond

Kaiser Permanente medical facilities

Maryland

- 1 Abingdon Medical Center
- 2 Annapolis Medical Center
- 3 **OPENING TBD**
Medical Center in Aspen Hill
- 4 Kaiser Permanente Baltimore Harbor Medical Center
- 5 **OPENING 2021**
Bowie Fairwood Medical Center
- 6 Camp Springs Medical Center
- 7 Columbia Gateway Medical Center
- 8 Kaiser Permanente Frederick Medical Center
- 9 Gaithersburg Medical Center
- 10 **OPENING 2022**
Medical Center in Hyattsville
- 11 Kensington Medical Center
- 12 Largo Medical Center
- 13 **OPENING 2022**
Lutherville-Timonium Medical Center
- 14 Marlow Heights Medical Center
- 15 North Arundel Medical Center
- 16 Prince George's Medical Center
(will close when the Medical Center in Hyattsville opens)
- 17 Shady Grove Medical Center
- 18 Silver Spring Medical Center
- 19 South Baltimore County Medical Center
- 20 Towson Medical Center
(will close when Lutherville-Timonium Medical Center opens)
- 21 **OPENING TBD**
Medical Center in Waldorf
- 22 **OPENING 2021**



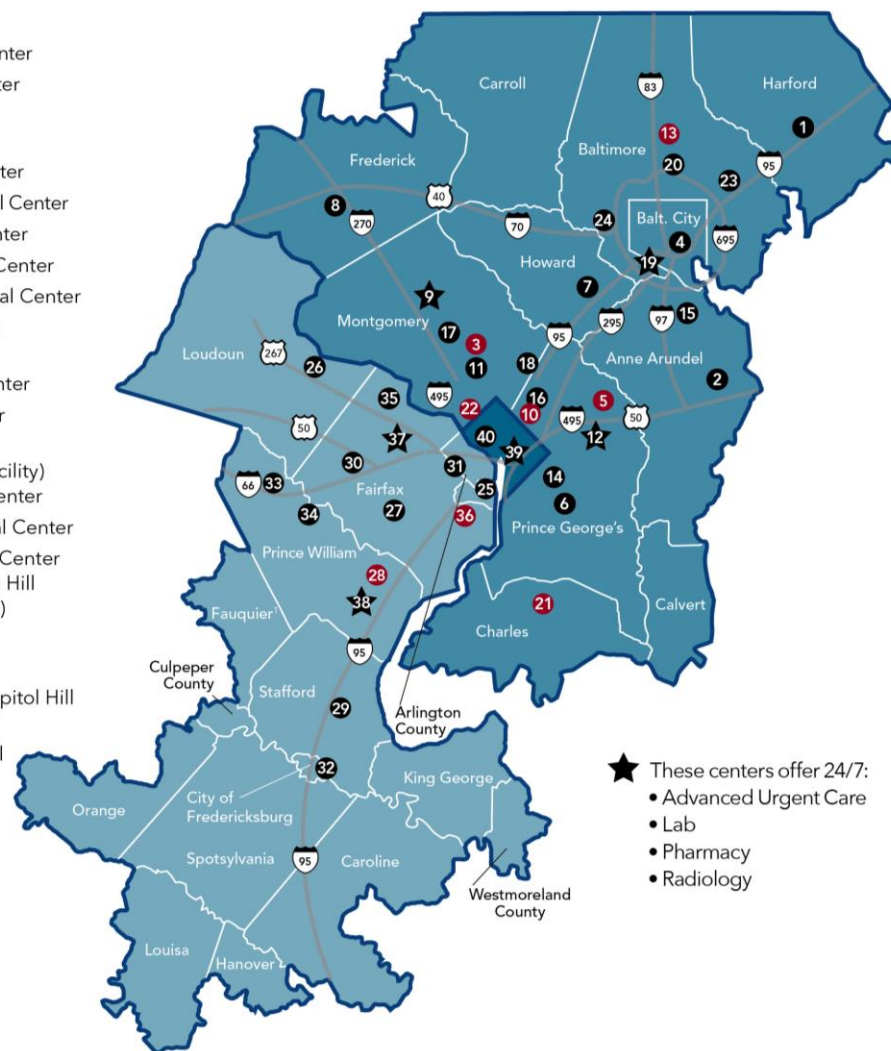
- 23 White Marsh Medical Center
- 24 Woodlawn Medical Center

Virginia

- 25 Alexandria Medical Center
- 26 Ashburn Medical Center
- 27 Burke Medical Center
- 28 **OPENING 2022**
Caton Hill Medical Center
- 29 Colonial Forge Medical Center
- 30 Fair Oaks Medical Center
- 31 Falls Church Medical Center
- 32 Fredericksburg Medical Center
- 33 Haymarket Crossroads Medical Center
- 34 Manassas Medical Center
- 35 Reston Medical Center
- 36 **OPENING 2022**
(adjacent to current facility)
Springfield Medical Center
- 37 Tysons Corner Medical Center
- 38 Woodbridge Medical Center
(will close when Caton Hill Medical Center opens)

Washington, DC

- 39 Kaiser Permanente Capitol Hill Medical Center
- 40 Northwest DC Medical Office Building



Please check [kp.org/facilities](https://www.kp.org/facilities) for the most up-to-date listing of services available at Kaiser Permanente Medical Centers.

¹Kaiser Permanente's service area in Fauquier County includes the following ZIP codes: 20115, 20116, 20117, 20119, 20128, 20137, 20138, 20139, 20140, 20144, 20181, 20184, 20185, 20186, 20187, 20188, 20198, 22406, 22556, 22639, 22642, 22643, 22720, 22728, and 22739.

Exciting changes in store this year!

- Kaiser Permanente Mid-Atlantic States will spend more than \$1B in capital investments across NOVA, DCSM and Baltimore over the next few years

Bowie Fairwood Medical Center



Projected opening: August 2021

- New build medical center
- 45,558 square-foot medical center
- Primary care, Ob/Gyn, Behavioral health, and ancillary services

well by Kaiser Permanente at Friendship Heights



Projected opening: September 27, 2021

- New, state-of-the-art neighborhood health center with concierge medicine
- Located in the Shops at Wisconsin Place steps away from the Friendship Heights Metro in Chevy Chase, Md.
- A high-touch, in-office experience for primary care while leveraging digital platforms for virtual care and support
- Designed to help members feel welcome and at ease, and more connected to their care team



And more new medical centers in 2022!



Lutherville-Timonium Medical Center

Projected opening: January 2022



Caton Hill Medical Center

Projected opening: May 2022



Medical Center in Hyattsville

Projected opening: Summer 2022



Springfield Medical Center

Projected opening: Summer 2022

Virtual Tours Available!



<https://exploringkp-midatlantic.kaiserpermanente.org/>

Contact your Sales Rep for more information!

Get engaged with KP!

We want to work with you! Here's how to do it:

- Set up a strategy call with KP Sales leadership and your agency's leadership
- Set up a call with your KP Sales executive to discuss your book of business
- Invite your KP Sales executive to finalist meetings and sales calls
- Increase RFP activity by requesting quotes and presenting them to clients
- Request sales training for your agency
- Develop a co-led client seminar with your KP Sales executive
- Participate in KP Experience Tours
- Watch learning videos posted on account.kp.org

Reach out to your sales executive or account manager to learn more.

Legislative Update

2021 Legislative Session in Maryland

Kaiser Permanente tracked and analyzed 338 bills, which was over 14% of all legislation introduced in Maryland. Notable topics included:

- **Telehealth:** KP worked closely with legislators, provider groups, consumer advocates, and other payors on legislation to increase access to telehealth services and require payment parity for telehealth and in-person visits.
- **Health Care Affordability:** KP supported legislation to create a state-based health insurance subsidy for young adults in the individual market and to connect UI applicants with health coverage.
- **Provider Licensing:** KP supported several bills that provide reciprocity in Maryland for health care providers who are licensed in other states.
- **Health Equity:** KP supported a number of bills that promote equity in health care, including a program to provide grant funding to reduce health disparities and improve health outcomes.

2021 Legislative Session in Virginia

Kaiser Permanente tracked and analyzed 168 bills, which was over 17% of all legislation introduced in Virginia. Notable topics included:

- **Reinsurance:** KP support and worked closely with legislators on legislation creating a reinsurance program in Virginia. The program will be funded with general fund appropriations, includes language for risk adjustment overlap, and will take effect for plan year 2023.
- **Telehealth:** KP worked closely with legislators, provider groups, consumer advocates, and other payors on legislation to increase access to telehealth services and require payment parity for telehealth and in-person visits.
- **Prescription Drug Transparency:** KP worked closely with stakeholders on legislation that passed that requires carriers, PBMs, and drug manufacturers to increase transparency on the cost of prescription drugs.
- **Worker Protections:** The legislature passed a bill creating a presumption of workers compensation for COVID-19 for front-line healthcare workers actively treating COVID patients.

Upcoming State Policy Issues

- We expect to see many of the same issues across our jurisdictions.
- In the upcoming months, Kaiser Permanente will work on:
 - **Reinsurance:** Both Maryland and Virginia have established reinsurance programs to lower premiums in the individual market, and KP will work with other stakeholders on program implementation.
 - **Prescription Drug Affordability:** Both Maryland and Virginia are pursuing several strategies to lower the cost of prescription drugs.
 - **Network Adequacy:** KP will continue work with the Maryland Insurance Administration to ensure consumers have access to convenient health care services in a timely manner.
 - **Virginia Health Benefit Exchange:** Virginia is in the process of creating a state-based exchange that will go live in 2024 and we are working with the Commonwealth on implementation.

HR 1319 – American Rescue Plan Act

- The American Rescue Plan Act (ARPA), signed by President Biden on March 11, 2021, provides funding for pandemic relief, including funding to expand the Advance Payments of the Premium Tax Credit (APTC) subsidy under the Affordable Care Act for individual and family plan enrollees.
- Significantly expands premium subsidies and advanced premium subsidies for individuals to purchase coverage on the ACA marketplaces for 2021 and 2022.
- Covers 100% of the cost of COBRA coverage through September 2021 to individuals who lost employment or had reduced hours.
- Forgives repayment obligations for taxpayers receiving excess advanced premium subsidies for 2020 tax year.
- Provides an incentive for states to expand Medicaid coverage.
- Requires vaccine and COVID treatment coverage without cost-sharing for Medicaid and CHIP, and extends the period of the policy by one year after the end of the PHE.
- Changes the effective date for removing the cap on Medicaid drug rebates from 2023 to 2024.

New Products and Updates



Brian Diemar

Director

Sales

Virtual Forward – Expansion to Small Group and KPIF

Expanding availability of Virtual Forward plans for our value-conscious customers in Small Group and KPIF; combining the power of virtual care while lowering the overall cost of care.

Product Highlight:

- The same comprehensive coverage as KP's traditional HMO in-network, with unlimited virtual care at \$0
- Preventive health at \$0
- 1st primary visit at \$0 before deductible
- Most benefits with a copay after deductible

A great fit for groups / members new to KP:

- Experience integrated care from KP while lowering annual cost of care
- Turbocharge convenience for tech savvy employees with routine care needs
- Advance access for employees on the outskirts of KP service area

Market and Price Competitive:

- 4 Mid Large plan options priced competitively
- 1 Silver and 1 Gold plan for SG and KPIF in all jurisdictions
- Up to 20% more price competitive than a similar DHMO

Availability:

- 1/1/2021 effective date in Mid-Large all jurisdictions
- 1/1/2022 effective date in Small Group and KPIF all jurisdictions

Virtual Forward Features

Virtual Care at \$0

Video visits with your doctor
E-visits
Chat with a nurse
Email your care team
Advice line 24/7
Access Records at kp.org

Virtual Specialty Access at \$0

Behavioral Health
Cardiology*
Endocrinology*
Infectious Disease*
and more

Virtual Urgent Care at \$0

Combined Medical and Rx Deductible

Pharmacy mail order or same day delivery at a low cost or free

4 tier pharmacy

Tier 1: Generic
Tier 2: Preferred brand
Tier 3: Non preferred
Tier 4: Specialty

Free virtual extras

Class Pass
myStrength
Calm

Notes:

* Schedule the appointment Via member service call center



KAISER PERMANENTE®

New | Kaiser Permanente Virtual Complete Plan

Virtual Complete plans offer upfront value through no-cost virtual care. Get high-quality care that's both affordable and convenient — helping employees stay healthier and more engaged on the job with ***more key services before deductible***.



Affordable options to keep members healthier

- **Upfront value** through no- and low-cost options to help maintain good health
- **\$0 virtual care**, with access to in-person care when it's needed
- **Common in-person services available at a copay:**
 - **3 in-person primary care visits** before needing to meet a deductible
 - **Lab and generic prescriptions** — never subject to a deductible










Convenient, personalized care enabled by technology

- **Full suite** of telehealth capabilities, including phone appointments, video visits, e-visits, email, online chat, and same-day pharmacy deliveries
- **Mobile app** and kp.org website
- **Kaiser Permanente's electronic health record system**
- **Wellness apps** and digital health resources
- **Virtual group administration**

New | Expanding Virtual Product Portfolio

Virtual Complete together with Virtual Forward expands KP's virtual offerings. For every employer there is a plan design with market leading telehealth capabilities to meet specific preferences of price and in-person care before deductible.

	Kaiser Permanente Virtual Complete	Kaiser Permanente Virtual Forward Plans
 Virtual care Primary care, specialty care, mental health, pediatrics, and more	\$0	\$0
 Digital health support* Self-care apps, personalized healthy lifestyle programs, and more	\$0	\$0
 In-person preventive care Routine physicals, screenings, and immunizations	\$0	\$0
 In-person office visits Including primary care, mental health, and more	First 3 visits: Copay before deductible, Additional visits: Copay after deductible	First Non-Preventive PCP visit: \$0 before deductible, Additional visits: Copay after deductible
 Lab tests	Copay, not subject to deductible	Copay or Coinsurance subject to deductible
 Generic prescriptions	Copay, not subject to deductible	Copay or Coinsurance subject to deductible
 Deductible	Range of deductible options	Range of deductible options

NEW | Added Choice Expanding Plan Options

Simple 2 tier product that combines Kaiser Permanente's award-winning integrated care delivery system, easy member experience and unlimited access to any licensed provider nationwide.

Product Highlight:

- The same comprehensive coverage as KP's traditional HMO in-network, with an out-of-network option to use as you need it

A great fit for groups new to KP and seeking to:

- Experience integrated care from KP but still have provider choice
- Transition from a similar POS plan with another carrier
- Maintain their relationship with an existing provider
- Have options for employees who live farther from KP's medical office buildings

Market and Price Competitive:

- Priced competitively to balance choice with affordability
- Combines KP quality with provider choice
- Enhanced consumer and employer experience

Availability:

- Available now in Mid-Large all jurisdictions
- Available now in Small group
 - Off-exchange Maryland (3) and Virginia (3)
 - On-exchange for DC (5)

Out-of-Network Benefit Design	
Unlimited covered and necessary medical services and Rx fills/refills	
PCP Office Visit Preventive Care Specialty Office Visit Outpatient Mental Health PT/OT/ST Labs/X-Rays	Deductible 20% or 30% Coinsurance in ML ¹
RX Generic Preferred Brand Non-Preferred Specialty	Deductible 20% or 30% Coinsurance in ML ¹
Inpatient Outpatient surgery Skilled nursing facilities Maternity Prenatal care	Deductible 20% or 30% Coinsurance in ML ¹

Notes: 1. Specific plan designs for SG with coinsurance varying between 20%-40%

NEW | Expanding Vision Options

We see the BIG PICTURE: EYE HEALTH IS PART OF TOTAL HEALTH

- At Kaiser Permanente, electronic medical record connects eye care to overall care, your primary care doctor knows when you are due for a comprehensive eye exam and can even schedule an appointment for glaucoma screening and other vision concerns.
- Members can also be examined for an eyeglasses or contact lens prescription—that's where Vision Essentials comes in. Our in-house selection of stylish frames makes it easy for members to take care of both their eyewear and health needs in one trip.
- For our Small Group plans, we have enhanced the embedded contact lens allowance from \$25 to \$125
- In addition to our Standard Vision plan embedded in all our medical plans, we have two new Mid Large coverage options to meet all vision needs and budgets: Vision EXTRA and Vision PLUS.

	Standard Vision	Vision EXTRA	Vision PLUS
Benefit Period	12 months (contacts lenses / frames)		
Combined allowance for lenses and frames	\$75	\$175	\$225
	OR		
Contact lens allowance only	\$25	\$125	\$150

Medicare Updates

Stable and consistent plans that allow Kaiser Permanente members to access Kaiser Permanente's integrated care even into retirement.

Product Highlights:

- Covers everything that is covered by Original Medicare plus additional benefits not covered by Medicare
 - \$30 preventive dental and discounts on comprehensive dental
 - \$0 gym membership
 - Allowance to purchase over-the-counter items
 - Eyewear allowance
 - Transportation to medical appointments
 - Brain training application

Market and Price Competitive:

- 4 plan options in each jurisdiction
 - High plan- \$142 premium, lowest cost shares
 - Standard plan- \$22-\$30 premium
 - Value plan- \$0 premium, highest cost shares, fewest supplemental benefits
 - The **only \$0** MA plan in Maryland
 - MA-only plan- premium lowered to **\$10** in 2021

Availability:

- As a 5 Star plan for the 9th year in a row, prospective members can enroll any time!



2019 - 2020

Successful Sales Stories

Making it easy for small groups to work with KP

"The ease in submitting enrollments amazes me as compared to many other carriers across the country. Dealing with a carrier that offers fast and accurate proposals plus the ease of submission enrollments takes a huge burden off our implementation support team."

- Broker partner

- 30-eligible delivery and logistics services company
- Broker firm had not worked with Kaiser Permanente before
- Their sales executive was able to support them on a number of levels:
 - Conducted 1:1 trainings with the broker on MAS regional nuances, such as plan offerings, Medical Office Buildings, affiliations with hospitals and more
 - Assisted with multiple onboarding meetings
- We made it easy for the broker to work with us:
 - We offer up to 3 composite plans, which was a huge help to the firm
 - Don't require brokers to attach documentation or waivers for 6+ subscriber groups, when submitting a KEEL
 - Spreadsheet enrollment is much easier than paper
- **Group joined Kaiser Permanente enrolling 21 new subs**
- **And the broker qualified for the new small group gift card bonus!**

Kaiser Permanente – The Right Solution

- 300+ eligible retirement home company
- Multiple meetings with the broker, C Suite, Board members and the broker's account executive
- Up against a -1% Anthem renewal, but leveraged a 1-month MBA to support the transition
- Sales executive ran 3 virtual member meetings about KP; also did 4 full day OE meetings to properly educate a delicate employee base
- **Anticipating around 300 new members**

Additional strategies that work:

- Onboarded 4 Behavioral Health companies in the first quarter for over 1,000 new members
- Nonprofits, Schools, Construction and Technology companies are our top industries
- 85% of closed groups in 2021 had a 5% renewal or lower. MBA's and first year rate caps remain effective sales tactics

"We always want to do what's right for our employer groups and thank you for all your work well beyond the scope of a typical RFP and enrollment process"

- Broker partner

Bonus Opportunities



Christine Wirth

Manager

Channel Strategy

Bonuses that reward – New sales

New! Small Group Bonus

How it works:

Effective from June 1, 2021 through January 31, 2022.

For every new group you sell in each size category below, you will receive a gift card in the amount shown in the chart below.

The larger the group, the more you earn!

Group size (subscribers)	6 – 10	11 – 15	16 – 20	21 – 25	26 – 39	40+
Per group bonus gift card amount	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	\$10,000

Bonuses that reward – New Sales

Exciting Mid/Large group opportunities!

Race To The Top – ends September 30, 2021

- Based on specific group NAIC codes
- Earn \$250 for shopping to Kaiser Permanente with groups that haven't seen Kaiser Permanente in the last 12 months
- Earn an additional \$1k for a finalist meeting or a KP Experience with an active RFP
- Earn an additional \$1.5k for sold groups

Step It Up Bonus – ends December 31, 2021

- Earn \$1-3k for finalist meetings and an additional \$1-3k for all new sold groups
- The bigger the group, the more you earn!

Large Group New Sales – ends December 31, 2021

- Earn \$50k for selling a new group with 500+ eligible employees and enrolling a minimum of 251 new subscribers

Multi-State Broker Bonus Program

Bonus opportunity for multi-state brokers

- One-time, \$50 per subscriber payout for new and expanded Multi-State groups with:
 - 51 to 2,999 eligible employees
 - Employees in 2+ Kaiser Permanente regions
- **Earn up to \$50,000 per group!**
- Can be earned in addition to other bonus programs
- Effective dates from 10/1/2020 through 1/31/2022
- Bonus paid to the agency as a part of monthly commission payment

Note: This bonus program does not apply to Aon, Mercer, or Williams Towers Watson (WTW) brokers; these brokers have a separate incentive program.



Bonuses that reward – Retention

In-Group Growth

- Subscriber growth calculated quarterly and paid based on in-quarter performance

Subscriber Growth within Existing Groups	Bonus Earned
100 – 199	\$2,500
200 – 249	\$5,000
250 +	\$7,500

Plus! Earn an additional \$25,000 if you work with your Kaiser Permanente representative to reposition the account and it results in growth of 500+ members.

Note: Consulting partners must opt in to earn.

Bonuses that reward – BOTH

Book of Business

Effective: 2021

- Combines sales and retention
- Compares subscriber count from start of the year to end of the year
- Annual bonus payout
- Move up based on percent retention and subscriber count!
- Includes all groups, not individual

		Percentage Growth					
		90 to 94.99	95 to 99.99	100 to 104.99	105 to 109.99	110 to 114.99	115 +
S u b s c r i b e r s	1500+	\$15	\$25	\$60	\$90	\$135	\$200
	1000-1499	\$15	\$25	\$50	\$75	\$113	\$170
	600-999	\$12	\$20	\$40	\$60	\$90	\$135
	300-599	\$8	\$15	\$30	\$45	\$68	\$100
	100-299	\$4	\$10	\$20	\$30	\$45	\$68

If you're interested in knowing where you stand, please reach out to your sales exec!

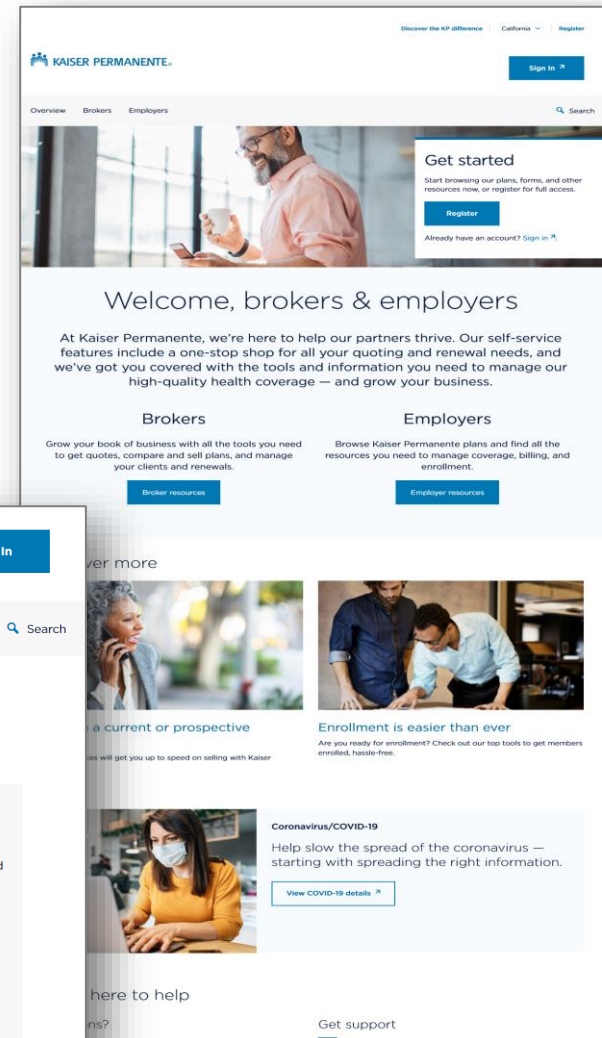
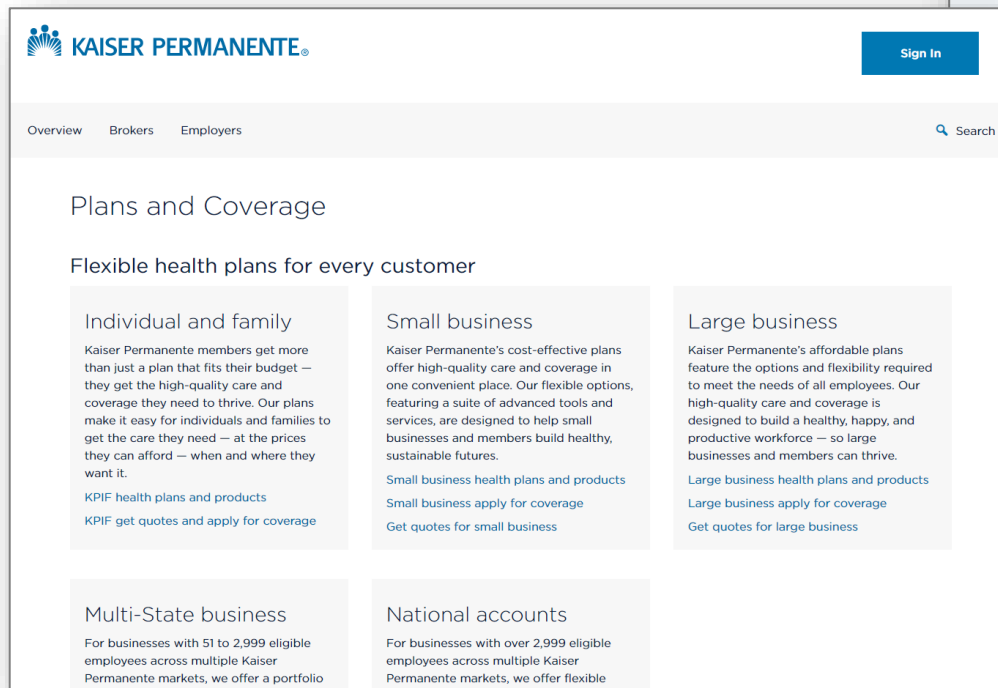
Group Book Of Business Bonus Summary							105%				110%				115%			
Agency ID	Agency	Tier	Total Group Subs	YTD Net Growth	Rate per Sub	Bonus	Total subs to get to 105%	New Subs required	Bonus per Sub	Total BoB Bonus @ 105%	Total subs to get to 110%	New Subs required	Bonus per Sub	Total BoB Bonus @ 110%	Total subs to get to 115%	New Subs required	Bonus per Sub	Total BoB Bonus @ 115%
123	Agency ABC	Tier 3	781	111.10%	\$90	\$70,290	739		\$60		774		\$90		809	28	\$135	\$109,215
456	Agency XYZ	Tier 1	2488	99.16%	\$25	\$62,200	2635	147	\$90	\$237,150	2760	272	\$135	\$372,600	2886	398	\$200	\$577,200
789	Agency LMNOP	Tier 1	2420	98.57%	\$25	\$60,500	2578	158	\$90	\$232,020	2701	281	\$135	\$364,635	2824	404	\$200	\$564,800

Administrative Updates & Opportunities

Account.kp.org Design Refresh

A new online experience is here!

- A new layout on Employer and Broker sites
- Simpler and easier to navigate pages
- Improved search functions
- An updated look and feel, making information easier to access



MANAGE MEMBERS: Membership Self-Service



- Enroll or terminate employees and their family members
- Update member demographic information
- Upload multiple member enrollments in one spreadsheet
- Search by member and download a list of members
- Add a family member to an existing account
- Request member ID cards

Mark Your Calendars!



Kaiser Permanente's June COVID-19 Town Hall

Wednesday, June 16th

12:30 – 1:30 p.m.



Topics include:

- Equity, Inclusion, and Diversity
 - Presented by: Celeste James
 - Featured guest: Dr. Eddye Bullock

***For all our brokers and employer group partners!**

Q & A



Gracelyn McDermott
Vice President
Marketing, Sales,
Business Development



Brian Diemar
Director
Sales

**Please take a minute to respond to
our survey in the Chat feature.**



Thank you!