



THE ELAP SOLUTION

At ELAP, we give our clients the opportunity to treat their medical costs in the same manner they would any other business cost.

Health insurance using Reference Based Pricing (RBP)- What is RBP?

Under the new healthcare payment model known as "Reference Based Pricing," employers bypass the traditional insurance carrier (Blue Cross, Aetna, United Health) contracts and pay the hospital directly. The contract paid is based on multiple medicare reimbursement rates rather than paying based on a discount off the hospitals billed charges.

RBP provides the employee with health care choices, saves the employer money and provides quality care. RBP eliminates the need for a PPO.

RBP provides the employer with pricing designed to follow **MEDICARE PRICING**. There will be no inflated medical pricing and PPO over payment. Ruscitti Associates, together with ELAP, our co-fiduciary, will have the responsibility to manage your health dollars.

We audit each claim to weed out exorbitant charges from health care facilities.

Ruscitti Associates offers a Referenced Based Pricing solution uniquely effective in the medical market as part of a comprehensive cost management solution.

We provide legal defense if balance billing or a collection attempt occurs. ELAP is your co-fiduciary of your health plan.

Under ERISA Law, the employer has the fiduciary responsibility to manage its health care plan.

With Ruscitti Associates and ELAP as co-fiduciary the "Prudent Man Standard" is enforced. Supporters of their strategy often present R.B.P. as a more rational, transparent, and cost effective method of paying for healthcare.

Our RBP plan have been in business since 2003, we are averaging savings of **\$150,000-\$200,000** annually per **100** covered lives. We average **25-30%** reductions in overall healthcare spending.

Ruscitti Associates, with your approval, would like to prepare a health care plan using **Reference Based Pricing** for your review.

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REFERENCE BASED PRICING (RBP)

Healthplan reimbursement based on the fair market value of the services rendered.

Reduces your current healthplan spending by **20-35%**

Average savings per 100 employee lives in year 1= \$150,000

Improves operating margins

Lowers out of pocket expenses for employees

Data Driven Pricing

Reference Based Pricing (RBP), also commonly known as "Cost Plus Pricing," offers self-insured plans a defined benefit structure based on more economical reimbursement levels designed to be fair and reasonable to providers based on various pricing data sets, most notably Medicare. (Chart attached shows spread in actual hospital costs as reported to the U.S. Government vs. hospital billed charges vs. what PPOs are paying.)

Employers are driving a trend toward alternative medical cost management seeking reprieve from inflated medical pricing and PPO overpayment. It is apparent we are paying too much for our care, and RBR is a solution growing exponentially in use that provides patient's choice, saves employers money, and provides quality care. RBR eliminates the need for a PPO.

ELAP's RBP Solution

ELAP is a co-fiduciary to your plan and it is our responsibility to make sure your plan assets are appropriately managed.

Ruscitti Associates has partnered with ELAP, a leader in fiduciary protection. We work together to shield our members by auditing claims riddled with exorbitant charges from healthcare facilities, and to provide legal defense if balance billing or a collection attempt occurs since ELAP is a co-fiduciary on the plan. **ELAP is saving** their clients an average of **\$150,000 per 100 covered employees** the first year on the program. Reference Based Pricing Reimbursement average approximately 70% facility (hospital) billed costs. The average PPO network savings is 45% of hospital based costs, this creates an additional discount of 25% to your company.

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