



2021 Lasso Healthcare MSA

About Lasso Healthcare Insurance Company

Lasso Healthcare is a relatively new and growing Medicare-market health insurer. Our individual MSA was first offered in 17 states in 2019, and has grown to 34 states plus Washington, D.C. for the 2021 plan year.



Products

We are the nation's leading MSA (Medical Savings Account) carrier, offering MSAs in more locations and to more members than any other carrier.

Operational Partners

To offer best-in-class experience for our members, we partner with a national third-party administrator to provide enrollment processing, claims processing and customer service. We also partner with a national banking entity to administer the MSA's banking components.



Financial Solvency

We meet, and many times exceed, department of insurance's significant capital and surplus requirements in all states we operate in. Additionally, we partner with one of the largest reinsurance groups in the world for reinsurance on our products.

Distribution

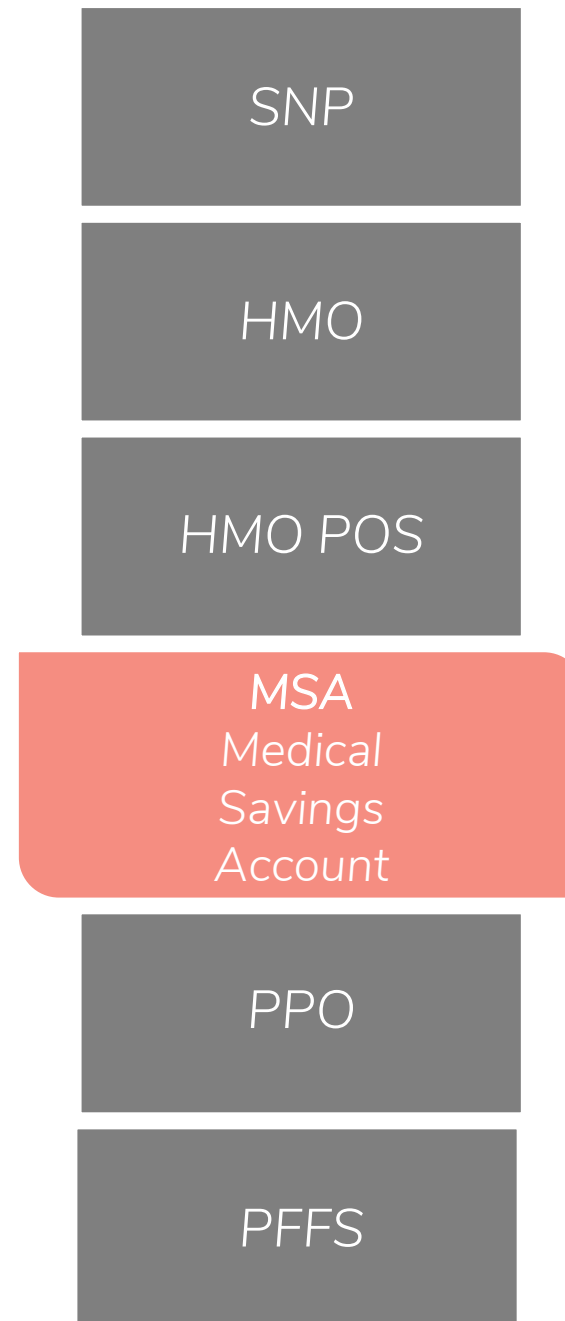
We value our relationship with producers representing our products in the market and collaborate to build a successful strategy together. That's why we've partnered with some of the largest distributors of Medicare products.



MSA: One Type of Medicare Advantage Plan

MSAs, or Medicare Medical Savings Accounts, feature a high-deductible health plan combined with a special medical savings account.

Optum Bank, a market leader in health savings accounts, is our banking partner.



Basic Operation of an MSA

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



1

We deposit money from Medicare into your MSA savings account each year you are a plan member.



2

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



3

You are responsible for expenses until they reach the plan deductible, then we pay 100% of additional Medicare A/B expenses incurred.



4

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

Joining an MSA Plan

As compared to other Medicare Advantage (MA) plans, there are additional requirements to join an MSA plan.

- ✓ Medicare-eligible
- ✓ Live in the Lasso Healthcare MSA service area
- ✓ Reside in the U.S. for 183 days or more during the calendar year
- ✓ Do 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 currently eligible for Medicaid
- ✓ Not 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 individuals can find value in an MSA plan.



Only MA product to give money (growth potential)



No network – access to any Medicare provider



Enhanced tax-free expense coverage



\$0 monthly premium



Unintegrated Part D – flexibility to find best plan



\$250 health incentive awards annually



HSA fans



Travelers & snow birds



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 an MSA. Generally speaking, enrollment is for a full calendar year.

CMS extends a special accommodation to first-time MSA enrollees who enroll during AEP: MSA-first-timers are allowed to change their mind and disenroll from an MSA by December 15. Keep in mind 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

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 and Deductible Amounts

Enrollment is generally for a full calendar year, unless you meet certain exceptions. As such, the plan deposit and deductible are full calendar year amounts. Both are prorated monthly for any enrollment or disenrollment happening within the calendar year.

You enroll
effective January 1



Receive full-year deposit
and deductible amounts

You enroll
effective April 1



Receive 9-month prorated
deposit and deductible
amounts

You disenroll
effective July 1



Owe 6-month prorated
amount of current year's
deposit back to Lasso
Healthcare

You remain a
member through
December 31



Keep any remaining funds
from current year's deposit

Optum Bank Benefits for Members

Once the initial deposit has been made to your Optum Bank-administered account, you are free to move the funds to your choice of financial institution.

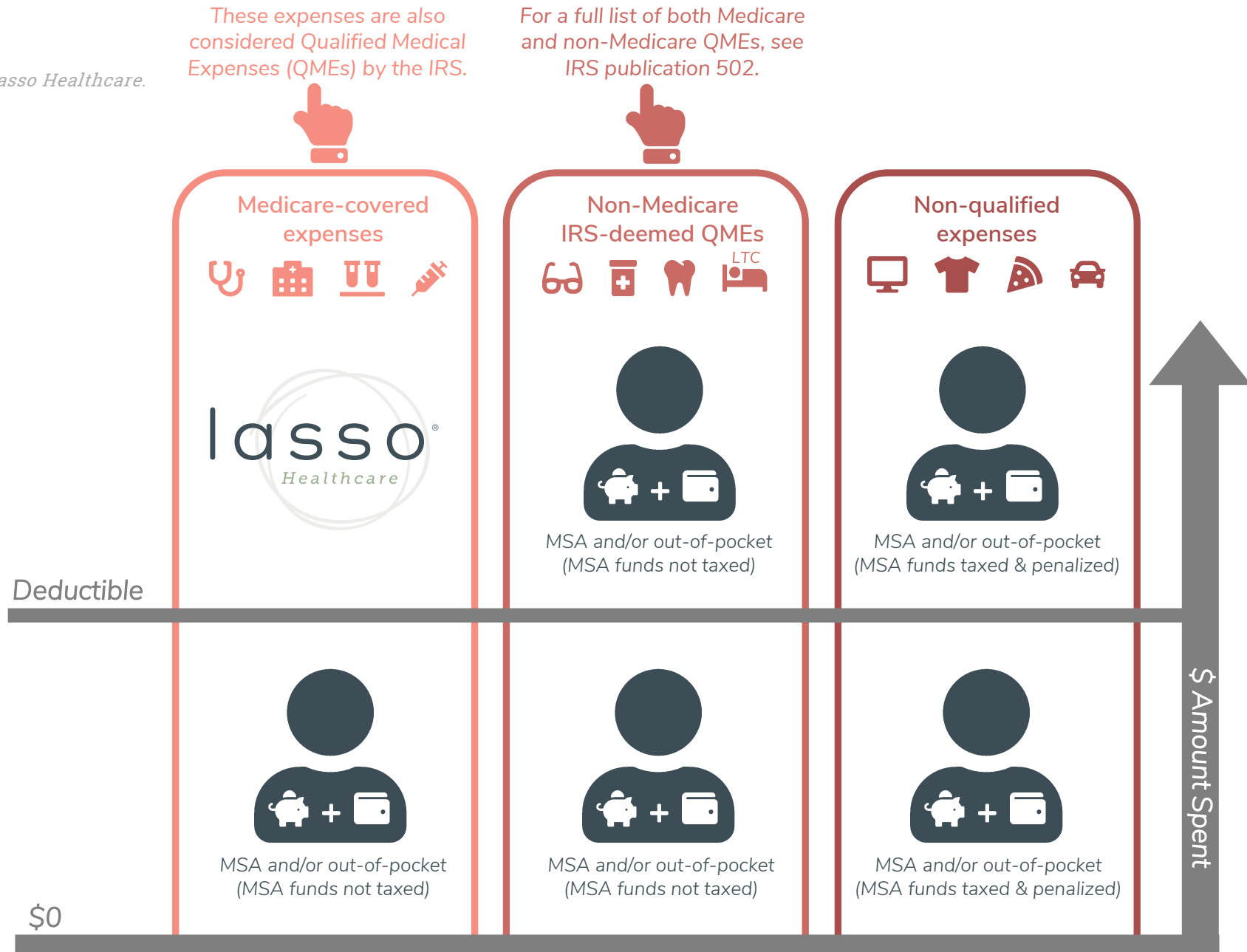
However, Optum Bank provides special benefits to Lasso Healthcare MSA members.



*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

We pay any additional Medicare-covered services incurred after you reach your 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 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 Bank sends you a Form 1099-SA if MSA funds are withdrawn during the year (any amount/reason)
- ✓ If you used MSA funds during the year (any amount/reason), you must file both IRS Forms 8853 and 1040, even if you are 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 and Ancillary Coverages

You can purchase additional, limited benefit policies that best fit your needs, and use your MSA funds to pay for items such as the plan copays or deductibles.

	Common Coverages	Use MSA funds 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 and Accepting	Medicare Non-participating	Medicare Opt-out
 ACCESS TO PROVIDER	<p>MSA plans don't 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. 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 you receive any services, we encourage you to share our detailed provider guide brochure with your providers and confirm they'll accept our Plan. Providers may also call our Provider Services team for assistance.</p>		
 SERVICE CHARGES	Pay lesser of billed charges or 100% Medicare rates	95% Medicare rates; can balance bill, where allowed by law, up to limiting charge	Private contract between you and 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 for annual wellness visit (\$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 the Explanation of Benefits



4A. Lasso Healthcare pays provider \$100



Met

Not Met



4B1. Lasso Healthcare notifies provider of your responsibility



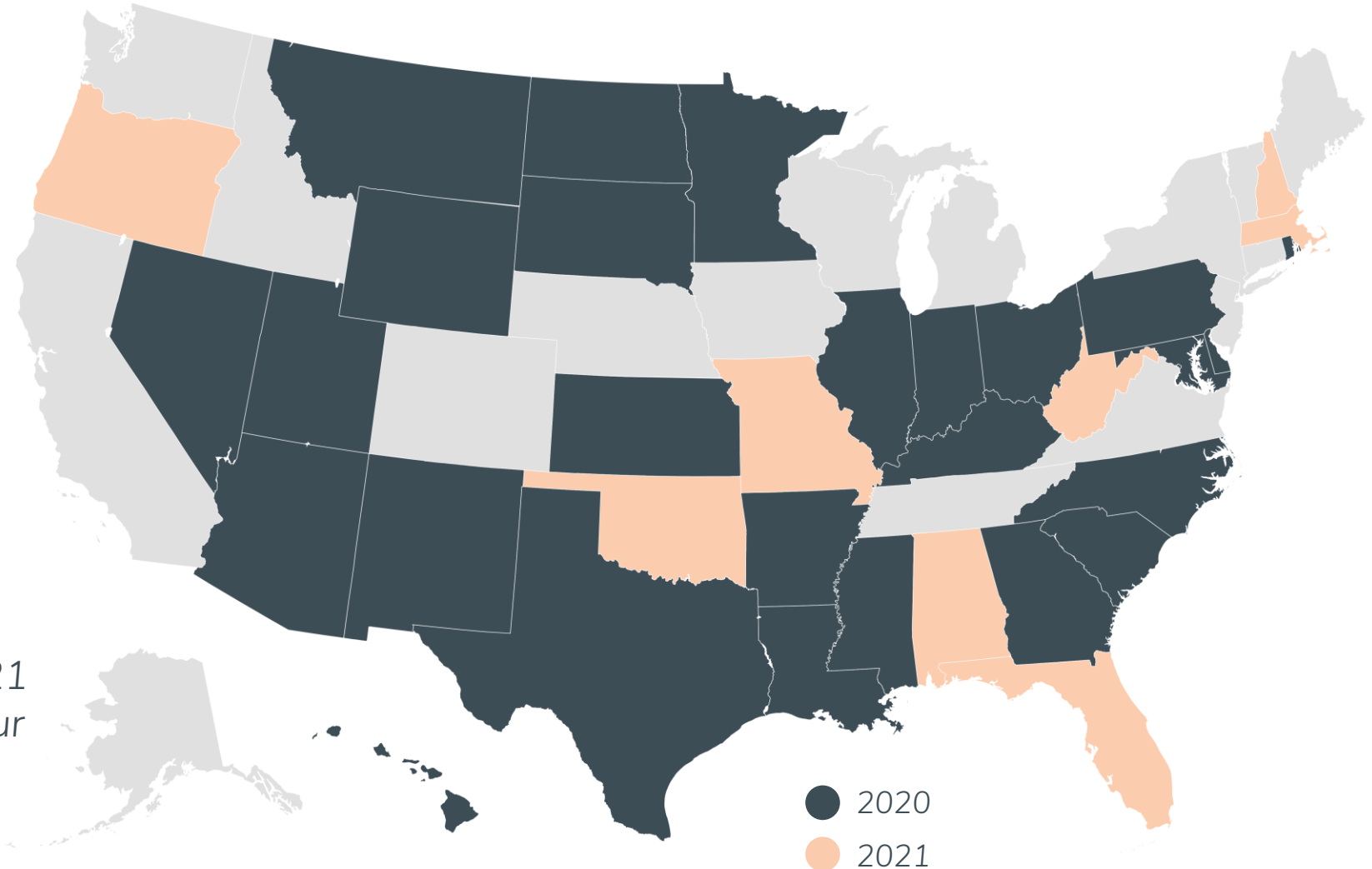
4B3. You pay provider (MSA or out-of-pocket)



4B2. Provider invoices you

2021 Service Area

Alabama, Florida,
Massachusetts, Missouri,
New Hampshire,
Oklahoma, Oregon and
West Virginia join the 2021
service area, expanding our
footprint to 34 states plus
Washington, D.C.



2021 Plan Designs

No more regions! Our 2021 plans shift from geographic-driven to value-driven, offering beneficiaries in all service area locations a choice between two highly competitive plan designs.

Lower
risk
option



Higher
upside
option

GROWTH MSA

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

GROWTH PLUS MSA

Deposit	\$3,000
Deductible	\$8,000
Member 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 \$198 is the current Plan G cost sharing, which is subject to change annually.

Low Utilization

\$500 Annual Medical Expense Example			
Lasso Healthcare 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	\$ (2,647.38)
	\$ 20,000.00		\$ (19,895.69)
Year	Medical Expense	Year	Medical Expense
1	\$ (500.00)	1	\$ (198.00)
2	\$ (520.00)	2	\$ (198.00)
3	\$ (540.80)	3	\$ (198.00)
4	\$ (562.43)	4	\$ (198.00)
5	\$ (584.93)	5	\$ (198.00)
6	\$ (608.33)	6	\$ (198.00)
7	\$ (632.66)	7	\$ (198.00)
8	\$ (657.97)	8	\$ (198.00)
9	\$ (684.28)	9	\$ (198.00)
10	\$ (711.66)	10	\$ (198.00)
	\$ (6,003.05)		\$ (1,980.00)
Total:	\$ 13,996.95		\$ (21,875.69)

High Utilization

7 Inpatient Visits in 7 out of 10 Years			
Lasso Healthcare 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	\$ (2,647.38)
	\$ 20,000.00		\$ (19,895.69)
Year	Medical Expense	Year	Medical Expense
1	\$ (5,000.00)	1	\$ (198.00)
2	\$ (5,000.00)	2	\$ (198.00)
3	\$ (5,000.00)	3	\$ (198.00)
4	\$ (562.43)	4	\$ (198.00)
5	\$ (5,000.00)	5	\$ (198.00)
6	\$ (608.33)	6	\$ (198.00)
7	\$ (5,000.00)	7	\$ (198.00)
8	\$ (5,000.00)	8	\$ (198.00)
9	\$ (5,000.00)	9	\$ (198.00)
10	\$ (711.66)	10	\$ (198.00)
	\$ (36,882.41)		\$ (1,980.00)
Total:	\$ (16,882.41)		\$ (21,875.69)

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 \$198 is the current Plan G cost sharing, which is subject to change annually.

Low Utilization

\$500 Annual Medical Expense Example			
Lasso Healthcare 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	\$ (2,647.38)
	\$ 30,000.00		\$ (19,895.69)
Year	Medical Expense	Year	Medical Expense
1	\$ (500.00)	1	\$ (198.00)
2	\$ (520.00)	2	\$ (198.00)
3	\$ (540.80)	3	\$ (198.00)
4	\$ (562.43)	4	\$ (198.00)
5	\$ (584.93)	5	\$ (198.00)
6	\$ (608.33)	6	\$ (198.00)
7	\$ (632.66)	7	\$ (198.00)
8	\$ (657.97)	8	\$ (198.00)
9	\$ (684.28)	9	\$ (198.00)
10	\$ (711.66)	10	\$ (198.00)
	\$ (6,003.05)		\$ (1,980.00)
Total:	\$ 23,996.95		\$ (21,875.69)

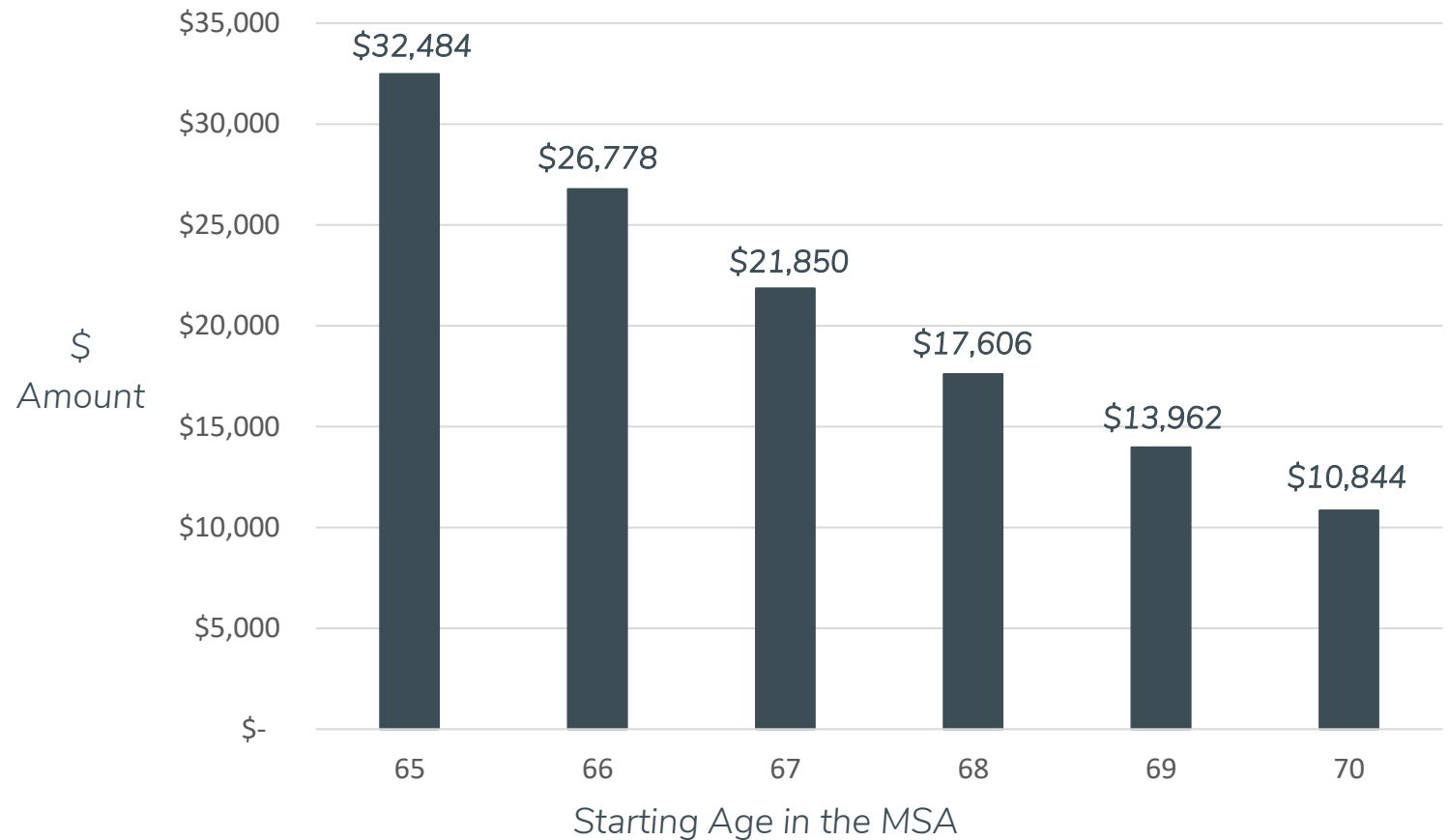
High Utilization

7 Inpatient Visits in 7 out of 10 Years			
Lasso Healthcare 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)
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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	\$ (2,647.38)
	\$ 30,000.00		\$ (19,895.69)
Year	Medical Expense	Year	Medical Expense
1	\$ (8,000.00)	1	\$ (198.00)
2	\$ (8,000.00)	2	\$ (198.00)
3	\$ (8,000.00)	3	\$ (198.00)
4	\$ (562.43)	4	\$ (198.00)
5	\$ (8,000.00)	5	\$ (198.00)
6	\$ (608.33)	6	\$ (198.00)
7	\$ (8,000.00)	7	\$ (198.00)
8	\$ (8,000.00)	8	\$ (198.00)
9	\$ (8,000.00)	9	\$ (198.00)
10	\$ (711.66)	10	\$ (198.00)
	\$ (57,882.41)		\$ (1,980.00)
Total:	\$ (27,882.41)		\$ (21,875.69)

The Earlier, The Better

With an annual deposit and \$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

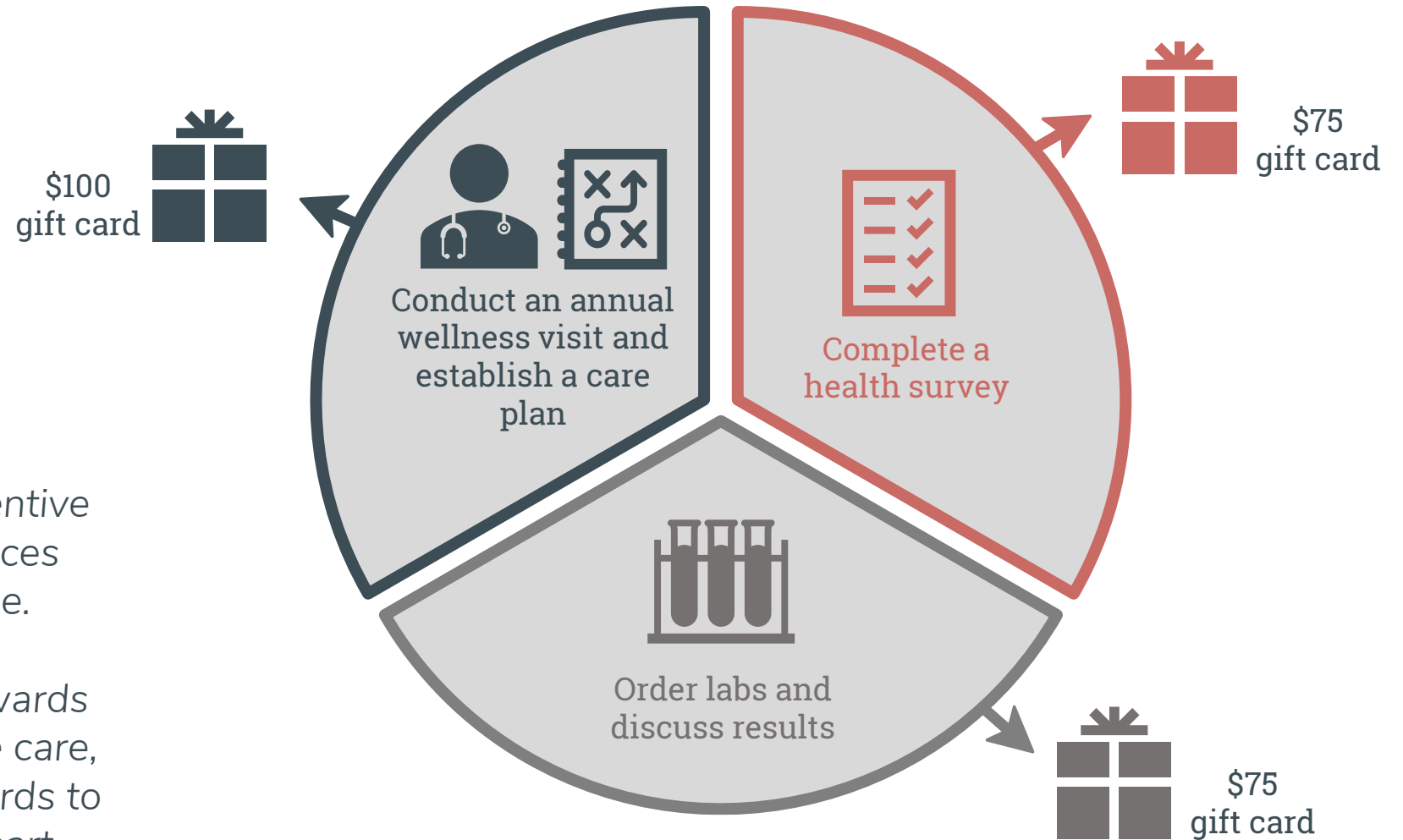


Assumes \$3,000 annual deposit, usage/expenses starting at \$1,000 per year and growing to \$2,000 per year and investment return of 10%.

Preventive Health Incentive Program

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

Our For Your Health program rewards you for seeking smart, preventive care, with up to \$250 in gift card rewards to major brands like Amazon, Walmart and more, or a Visa prepaid card.



Maximizing Value and Health

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



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 Bank-administered savings account.

1



You submit the completed application materials via web, phone, mail or fax.

2



We set up both your health insurance plan and your medical savings account.

3



We deposit the funds into your medical savings account.

4



You receive both a Lasso Healthcare member ID card and a debit card linked to your savings account.