



RETIREE HEALTH AND WELFARE BENEFITS

For over 15 years, KTP has achieved a track record of helping our clients consistently provide retiree health care insurance benefits at a cost below national averages. No one factor can explain this performance. We believe that achieving results of this caliber requires a day-in day-out focus on the drivers of cost for these benefits. Our relentless focus on existing and emerging opportunities for maximizing cost-effectiveness produces results that we believe speak for themselves.

Account Management Services uses a dynamic process which includes:

- Reviewing short-term goals and long-term objectives
- Analyzing existing benefit plans to determine potential changes and improvements
- Developing a retiree health benefit strategy based on the client's goals and objectives
- Designing specific, customized medical and prescription drug solutions for pre-65 and post-65 retirees
- Providing accounting, actuarial and regulatory counsel
- Structuring plans based on risk tolerance, funding preferences, and contractual obligations
- Auditing existing benefit plans
- Negotiating the most favorable pricing and terms with carriers, pharmacy benefit managers, network providers, and third-party administrators by conducting an aggressive and competitive bidding process
- Negotiating renewal rates and terms
- Implementing programs, providing employee communication materials, and providing continuing administrative and compliance support
- Analyzing claim data and providing monthly financial reports
- Communicating changes and transitions through a single point-of-contact
- Evaluating and tracking market dynamics and legislative changes to ensure continuous strategy optimization

Comprehensive Service Packages include a variety of day-to-day plan management and strategic planning initiatives:

- Providing customized benefit manuals, plan documents, enrollment kits and renewal documents
- Creating dedicated private labeled benefits and HR portals and financial reports
- Call center support
- Claims administration and resolution
- Ad hoc marketing documents and strategies
- Eligibility management services including maintenance and verification
- Assisting with federal and state regulation compliance
- Preparing 5500 forms
- Completing retiree/employee benefit surveys
- Conducting educational seminars
- Member advocacy
- Additional services such as customized communications materials, end of year benefit statements, plan summaries and other educational material
- On-going strategic advice based on evolving market dynamics and changing regulatory requirements

We also collaborate with a select group of proven strategic partners to provide even more expertise and plan management services:

- ERISA and employment law attorneys
- Accountants
- Active employee benefit consultants and advisors
- Actuaries
- Prescription drug consultants/claims auditors
- Employee communications experts
- HRA, COBRA and Flex administrators
- Data analytics experts

If you have any questions regarding our services, or would like more information, please contact: Nicole Allen at nallen@ktpadvisors.com or Kate Beebe at kbbeebe@ktpadvisors.com.



OPERATING PRINCIPLES

Commitment

Our name, KTP Advisors, reflects one, simple principle that's embodied our company from its founding: "keeping the promise." It's keeping the promises we make to our clients but moreover, it's our commitment to enable vital promises to be kept between our clients and their employees and retirees. Everyone at KTP shares in this responsibility by providing the highest level of service.

Trust

Because health benefits are critical to employees, retirees and, by extension, employers, they need to operate as expected. It is critical that employers provide reliable plans that all stakeholders can trust. By helping senior financial and benefits professionals analyze, design, structure and implement programs that fulfill the promises they have made, we help clients maintain the trust they have built with current and former employees.

Value

KTP's value lies in the innovative benefit strategies, financial analyses, plan designs, implementation processes, auditing, risk management, and clinical programs that we provide our clients in order to substantially reduce their costs and liabilities while still providing employees and retirees with the benefits they were promised.

KTP prides itself on delivering exceptional value to its clients. Many of our professionals have extensive financial expertise and we are acutely focused on the financial impact of our services. For this reason we strive to make recommendations that deliver the highest return on the clients benefit investments. Additionally, because the future cannot always be understood with complete clarity, we always work to help clients understand the sensitivity to assumptions underpinning our recommendations.

Knowledge & Expertise

KTP distinguishes itself from other benefits advisors by the specialized knowledge and expertise it brings to bear on clients' needs. The firm's niche focus on retiree health benefits and pharmacy benefits for active employees enables it to consistently advise clients in a way that maximizes the cost-effectiveness of the benefits they provide.

Because KTP's depth of knowledge in retiree health benefits and pharmacy benefits is not often found within generalist benefits advisory firms, we often sub-advise other brokers, advisors and consultants and their clients in our areas of expertise.

Independence

KTP is a closely-held private company that is free from conflicts of interest. The firm prides itself on focusing 100% on its clients' needs and is completely transparent regarding our compensation for the services we provide. Because KTP does not have to appease outside shareholders or cross-sell products from another division within the same parent company, our advice is singularly focused on our clients' best interest. Our advice is unbiased and we always put our clients' interests ahead of our own.



HISTORY – RETIREE BENEFIT SOLUTIONS



retiree benefit solutions

KTP Advisors was founded in 2002 as Retiree Benefit Solutions. The firm's founder, Don Witcher, realized that many plan sponsors were struggling to deal with the financial and regulatory changes brought on by the adoption of Financial Accounting Standard (FAS) 106.

This accounting treatment forced companies to recognize the present value of accrued liabilities for other post-retirement benefits on their balance sheet and amortize this liability through the income statement over time. While initially this treatment was required of private sector entities, governmental entities were forced to adopt this same approach with the introduction of Governmental Accounting Standards Board (GASB) standards 43 and 45. For plan sponsors in both the private and public sectors, this accounting treatment increases liabilities and expenses.

By optimizing Medicare subsidies and negotiating benefit plans to maximize cost-effectiveness, KTP has helped private and public sector clients achieve exceptional results. The firm's clients have reduced liabilities by hundreds of millions of dollars and experienced Medicare plan cost trends nine percentage points (9%) below the national average cost trend for comparable plans.

Through the firm's interaction with senior financial and benefit professionals, we realized that many plan sponsors struggle with the costs and risks associated with providing pharmacy benefits to active employees. Because retirees consume four-to-five times as

many prescription drugs as their active counterparts, the firm had an understanding of the impact pharmacy benefits can have on overall costs.

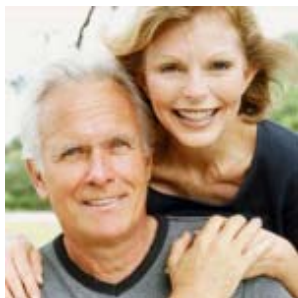
To help clients address this critical benefit area, the firm added a practice leader of pharmacy benefits with 18 years of experience advising corporations, Taft-Hartley benefit plans and health plans in the area of pharmacy benefits. The firm also added a licensed clinical pharmacist to develop, manage, and oversee clinical programs designed to optimize clinical outcomes as cost-effectively as possible.

Throughout the firm's history, and for many years into the future, KTP Advisors' focus on complex and critical benefits areas will help clients improve their ability to keep the promises they have made to current and former employees.



JULY 14, 2014 BY KATE BEEBE

5 Suggestions for Individuals to Reduce their Retiree Healthcare



According to Fidelity's annual retiree healthcare cost estimate, couples retiring at 65 should plan to spend about \$220,000 on healthcare during their retirement. While to many this is a shocking figure, individuals approaching retirement should consider the strategies below to reduce these costs.

Contribute to a tax-free retirement health care savings. Tax free funds you have accumulated throughout your lifetime can pay medical expenses such as Medicare Part B and Part D deductibles, coinsurance and premiums, long-term-care expenses, co-payments, and other Out of Pocket (OOP) health care costs.

Become a better health care shopper. Choose location wisely when it is time to visit your doctor or have a procedure done.

- Selecting a stand-alone radiology center over the hospital for x-rays can save money on deductibles and co-payments.
- The same can be said for utilizing an urgent-care clinic rather than emergency room or an outpatient surgery center rather than the hospital.

Reduce prescription-drug costs.

- Switching from a brand drug to a generic will result in savings.
- There are prescriptions by mail order programs that offer a discount.
- Evaluate your Medicare Part D plan to see if there are other Part D options with lower OOP costs.

Check your Medicare supplement policy. Most Medicare members pay deductibles, co-payments and other gaps in Medicare with a Medicare Supplement policy Plan F. New policies such as Plan N, have lower premiums in exchange for higher OOP costs. Be sure to evaluate what supplement plan best fits your needs from a health perspective as well as a financial perspective.

Educate yourself and plan for the cost of long-term-care. National medial rates for long term care are as follows.

- \$87,600 per year for a private room in a nursing home.
- \$45,000 per year for a home-health aid (\$20 per hour, 44 hours per week).
- \$42,000 per year for an assisted-living.

For the full article from NASDAQ.com, please click [here](#).

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MARCH 19, 2014 BY KATE BEEBE

Early Planning is Key for an Understanding of what Retirement has in Store



Recently a group of retirees and those approaching retirement answered questions pertaining to financial concerns associated with retirement. Unsurprisingly, the group of retirees regret not having a better understanding of health care and investments. As a result, many did not save as much as they could have and are finding it detrimental to their retirement savings. Falling in line with retirees, the pre-retiree group lacked not only an awareness of health care costs, but also a basic financial plan.

An important, yet often disregarded layer of life after retirement; is simply what will retirees do from day to day? While some individuals may desire a part time job, many foresee their retirement traveling or enjoying leisure activities. Regardless of how individuals decide to spend their retirement, it must be calculated for in one's retirement financial plan.

Read more here: [Listen up boomers, retirees have a message for you](#)

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