

Trovia: A Guide

FOR EMPLOYERS



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Trovia: An ICHRA solution that offers easy and affordable health benefits

Health care costs are a top concern among Americans, and ever-rising premiums are putting strain on both employers and employees. As of January 2020, new federal regulations allow employers to take advantage of expanded usability of Health Reimbursement Arrangements (HRAs), introducing Individual Coverage Health Reimbursement Arrangements (ICHRAs). ICHRAs (pronounced ick-rahs) are an employer-funded, tax-free health benefit used to reimburse employees for individual health insurance plan premiums. It represents a major shift both in the delivery of health insurance and in its value for employees.

With an ICHRA, employers can create a group health plan using pre-tax dollars to define contribution amounts, confidently setting their health plan budget. You also have more flexibility in overall plan design to better meet the needs of individual employees. An ICHRA has the potential to save employers money through greater cost control compared with a traditional group health insurance plan, and it allows employees the freedom to choose the individual health coverage that best fits their situation. ([Learn more about how an ICHRA works.](#))

Trovia Employer Benefits

Trovia, an online marketplace for ICHRA offerings powered by Nexben, offers all of the advantages inherent in this new type of group health plan as well as those provided by Nexben's technology platform. ([Learn more about Nexben.](#))

Managing health benefits is complex—from selecting plans, to managing costs, to enrollment, all the way to making carrier payments. Trovia simplifies the entire process for you, eliminating recurring HR tasks and the paper trail usually required to accomplish these administrative tasks. Trovia's "intelligent portal" allows employers to compare all available benefit plans online (including major medical, dental, vision, disability income and life insurance) and select the options that fit your employee group plan needs. Employees are empowered to self-enroll electronically, taking another administrative task out of the hands of their employers.



In addition to time saved, employers can see an overall cost savings of anywhere between 20–60% after enrolling your employees in Trovia. One reason for the cost savings is because the individual market is driven by rates that aren't affected in the same way group plans are by individuals' (or their families') potential health events. ICHRAs also provide you the flexibility to set the contribution rates and avoid the annual rate hikes that are often associated with traditional group plans, providing budget control year after year. Adopting a defined contribution approach does not



necessarily mean greater cost shifting or changing the benefits offered to employees. Rather, it is an opportunity to show employees exactly how much money is being contributed to the monthly health insurance premiums and that they have the choice in how to best spend it, driving costs savings for both you and your employees.

Trovia is open to employers with two or more employees. There are no participation requirements to meet; an employer cannot be denied by an insurance carrier because of low employee enrollment. There are also no minimum or maximum contribution requirements with an ICHRA: the contribution can be as little or as much as the employer wants it to be. Different contribution allowances may also be offered to different employee classes. Additionally, when properly structured, an ICHRA can help employers avoid both the large "A" penalty (in 2021 that's \$2,700 per employee after the first 30 employees), and the smaller "B" penalty for "affordability".

Trovia manages payments just like other traditional group health plans. You receive one monthly consolidated bill for all employee plans, withhold the employee portion from their pay, and make one pre-tax payment to each carrier for all employees. Trovia also takes care of collecting and then directing premium payments to each carrier.

Trovia Employee Benefits

Trovia opens the doors to all available health plans, allowing employees the opportunity to shop for coverage that's tailored to their specific needs. Trovia's online process for comparing and selecting coverage and enrolling online as an employee is easy. It also provides a tax advantage, because the employer reimbursements don't count toward their taxable wages and the employee's portion of any premium balance due are payroll deducted on a pre-tax basis. Another benefit is that individual health coverage is portable, if an employee leaves the company, they can take their insurance coverage with them.

A simple metaphor is to think of Trovia's ICHRA as a 401(k), while a traditional group plan is more like a pension. 401(k)s are tailored to what the employee wants to contribute, and the options they want in their portfolio. With a pension, on the other hand, employers choose securities for them.

Here's how Trovia works from an employee's perspective:

- Employees access a consumer friendly, personalized benefit portal to shop and compare all available individual health plans
- Employees select a plan and complete the online enrollment process using eSignature protocol
- The employer contributions are applied directly to the monthly insurance premiums of the plan selected by the employee
- The remaining premium balance due is taken care of via pre-tax payroll deduction with no forms to complete or reimbursement submission required

Trovia provides an exciting glimpse into the future of health insurance benefits, while existing as a very real solution today. Traditionally, in the group insurance market model (sometimes referred to as a defined benefit approach), employers select a one-size-fits-most group plan and employees are limited to the options their employer chooses. Because ICHRAs are centered on a reimbursement model (sometimes referred to as a defined contribution approach), Trovia gives employers greater control over costs and provides the freedom of choice to employees.

Everything you need to know about Trovia

FOR EMPLOYERS

TROVIA BY THE NUMBERS*

\$510,815

saved by one large group employer that adopted Trovia

30-40%

average cost savings for a company whose employees enrolled with Trovia

4.9²/5

average employee enrollment satisfaction rating

50

the number of states Trovia is available in

GAIN GREATER COST CONTROL



Set the contribution allowance to keep costs under control and predictable year-after-year

Diminish the challenges of a high-risk employee pool that is often associated with the costs of traditional group plans

Keep the market competitive and drive down industry costs

Give employees the flexibility of individual coverage with the ease of a group plan

Provide a set contribution allowance and each employee can add their own pre-tax money, if they so choose

Shop benefits, get expert advice and enroll directly within the platform using eSignature protocol

Increase employee benefits package satisfaction to help increase retention



OFFER EMPLOYEES TRANSPARENCY

PROVIDE EASY ADMINISTRATION TO YOUR HR DEPARTMENT

Give HR or benefits representatives peace of mind with an all-in-one online platform

Eliminate reoccurring tasks

Avoid paperwork often associated with enrollment and billing

Make organization simple with easily accessible online documents, including indepth premium and ACA reports

* Based on results from active Nexben and Trovia users, 2020.

FAQs from employers about Trovia

Q: What types of employers can use Trovia?

A: Any employer with two or more employees can access Trovia.

Q: Are there participation requirements for employers offering an ICHRA through Trovia?

A: No. One of the great things about offering an ICHRA is that, despite being a group health plan, it has no participation requirements. So, there's no risk of being denied by an insurance carrier because not enough employees participate.

Q: Can I offer a traditional group plan as well as an ICHRA to the same class of employees?

A: No, employees in the same class can only be offered a traditional group plan or an ICHRA—not both in the same year.

Q: Can I offer an ICHRA to one group of employees, and a traditional group plan to other employees?

A: Yes, you can accomplish this by dividing your employees into classes. There are 11 different classes of employees (e.g. full-time, part-time, geographic, salaried, non-salaried). We will work with you to explain options to help meet your company's goals.

Q: **My employee is ready to be enrolled. Do I have to contact the provider?**

A: No, employees can self-enroll directly within the Trovia marketplace. With Trovia, you will invite your employees to enroll. They will receive a notification to set up an account and can begin the enrollment process from their own personal portal. Once the enrollment is pushed out to your employees, you can stay up-to-date on the status of enrollment. Real-time enrollment status tracking is available, providing details of where each employee is in the enrollment process—not started, in progress and complete.

Q: **Do employees have to wait for our company to reimburse them for their health insurance premiums?**

A: No, Trovia manages premium payments just like other group health plans, no need for employees to gather receipts and fill out reimbursement forms. Employee contributions are automatically payroll deducted on a pre-tax-basis and combined with the employers' pre-tax contribution. You receive one monthly consolidated bill for all employee plans and make one payment for all employees. Trovia takes care of directing the funds to each carrier.

- With Trovia reimbursements are completely automated, unlike any other plan.

Q: **If an employee leaves the company, what happens to their health coverage?**

A: If the employee has enrolled in an ICHRA, they are able to take their individual health coverage with them when they leave the company, but company contributions cease when they leave. The employee must contact the carrier to change the billing address. The employee will be responsible for paying premiums directly to the carrier. Also, should the employee choose to terminate the coverage, they will need to contact the carrier directly.

Q: **Can an ICHRA help my company avoid the Affordable Care Act penalty?**

A: Yes. When properly structured, an ICHRA can help employers avoid both the large "A" penalty and the smaller "B" penalty for "affordability." The Trovia team will work with you to tailor a health benefits package that fits your needs.



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