

TRUST • EXPERIENCE • INNOVATION • PARTNERS



WEYCO, INC.

CUSTOMIZED HEALTH-PLAN SOLUTIONS
THAT BENEFIT YOU AND YOUR EMPLOYEES

WEYCO:



"I learned a lot from my mentor, Chuck Knox, one of the most successful coaches in NFL history. One of his most memorable quotes is, "Always have a plan, and believe in it. Nothing happens by accident." I've built Weyco, Inc., around that philosophy. Our plan is to provide our clients with the highest quality services and to be an innovator in the benefit management arena. We are consistently providing unmatched service to our clients. And, our approach to work-place wellness and reducing health-related costs is legendary.

I invite you to join my staff and me as we engage the Midwest, the nation, and perhaps the global economy in developing customized benefit solutions that will change the healthcare landscape."

—Howard J. Weyers
president & chief operating officer, Weyco, Inc.



THE RIGHT CHOICE

Ever since Weyco, Inc., was founded in 1979, we've relentlessly searched for—and identified—new ways to help employers control healthcare costs, and keep employees and their families healthy.

Today, we offer a multitude of proven tools and techniques for doing just that.

In fact, we've used them to create custom health-benefit plans for hundreds of employers. And we're still as tireless as ever in the pursuit of innovative solutions.

In addition to specializing in benefit management and employee benefit plans, Weyco serves as an agent for traditional insurance plans—medical, dental, vision, life, and long-term disability—and we administer flexible-spending accounts as well as health reimbursement arrangements (HRAs).

Companies large and small, as well as associations and other nonprofits, rely on our expert guidance to manage the cost of benefits for their employees.

We meet our clients' needs—and far exceed their expectations.

HOW WEYCO CAN HELP

In 1983, Weyco became a licensed Michigan Third Party Administrator (TPA), giving us the ability to administer employers' self-funded medical, dental, vision, and short-term disability plans.

Our team approach to assisting clients allows us to focus on their needs, not our tasks. Each of our clients is provided an account manager, and a service delivery team manager, along with an entire team of experts from each of our specialty areas. When a client or a client employee has a question, a team member with the necessary expertise is there to assist them. No more transfers. No more waits on hold. Just great service and the right answers.

PARTNERS

As your benefit-plan partner, we can help you develop a long-range plan for your employee-benefit programs. When healthcare costs rise, we're at your side reviewing your organization's benefit programs to find ways to lessen the impact.

To cite just one example: By working with our specialty drug program, we've been able to save clients 25 to 30 percent annually on prescription drugs related to this managed program.

With decades of experience, we know what works for our clients, and where the healthcare trends are headed.

OUR VISION

Weyco, Inc., is committed to being the premier provider of integrated service solutions to support our clients' critical employee benefit programs. We are dedicated to the pioneering concept that the impact of healthy lifestyle choices will reduce healthcare costs.

OUR MISSION

To promise and provide our clients the highest quality services in order to continually prove ourselves to be the premier benefit and healthcare information management organization.

At Weyco, we know that our reputation as a first-class company hinges upon our commitment to excellence in everything we do. Our foremost obligation is to you. We aim to provide uncompromising, outstanding service, always.

Just ask our clients. They'll tell you that at Weyco you get superior products and services at the fairest prices. You'll learn that we handle inquiries and concerns in a prompt, courteous manner. You'll discover that employees who are better educated about their health benefits use them more wisely and cost-effectively. And, you'll find out how easy it is to use our state-of-the-art web site for online enrollment and other services.

WEYCO'S WISE COUNSEL:

“Our company had been self-insured for years, but prior to Weyco, we had a problem finding a third-party administrator that would pay attention to the provisions of our plan when paying claims. Weyco does a real good job of following the plan, so we’re very comfortable that we’re not wasting dollars. Also, I’ve had ‘think tank’ sessions with the Weyco staff to come up with plan modifications that keep us at the leading edge of what’s happening in healthcare. The Weyco-hosted Client Conferences are excellent and eye-opening, too. After attending just one, I concluded that participation is an absolute must for company decision-makers.”

—Don Dinkgrave, vice president of operations, Genova Products



BENEFITS BY DESIGN



No matter what the size of your business—or whether your human resources department is large, small, or virtually non-existent—the ever-changing health-benefit landscape can be difficult to negotiate.

If you choose one direction, will it be the best for you and your employees? What about a different path? Or, is it wisest to stay the course?

Weyco can help you master the healthcare maze by assisting in the design of benefit packages with both self-funded and insured components that suit the specific needs of your workplace and employees.

Our experts can help guide you through:

BENEFIT STRATEGY CONSULTING & PLANNING

The day has dawned where changing deductibles and arranging co-pays isn't enough to ensure that your health plans will make your bottom-line profitable in the marketplace. Our team of consultants design customized plans for businesses ranging in size from 50 to thousands.

WORKSITE HEALTH IMPROVEMENT STRATEGY CONSULTING & PLANNING

Keeping your employees healthy is one of the best ways to keep your health costs from rising. At Weyco, we develop outstanding worksite wellness plans that show bottom-line results.

CLAIMS ADMINISTRATION

Our 170-member staff provides claims administration services for more than 250 client organizations and their 160,000 employees and dependents. These efforts include:

- Personalized service to employees
- Prompt and accurate claims resolution
- Responsiveness to your needs, from plan design to cost containment and beyond
- Competitive administration fees
- Online beneficiary information systems
- Comprehensive monthly reporting
- Comprehensive employee education and communication
- Toll-free phone service for you and your employees
- An experienced benefit analyst assigned exclusively to your account

MEDICAL MANAGEMENT

Our medical-management staff oversees the appropriate use of plan resources. Using a combination of plan requirements, such as pre-certification and pre-surgical review, as well as fee negotiation and large-case identification, Weyco's utilization-management RNs—assisted by our on-staff consulting physicians—manage, review, and monitor provider services to ensure that care complies with national standards.

HEALTHCARE DATA ANALYSIS

Weyco technology provides the utmost flexibility in data analysis, enabling us to create specialized reports for each client's needs. Want a clear picture of healthcare claims at your organization? Using graphics and normative data, our reports can precisely pinpoint healthcare strengths, weaknesses, and trends.

CAFETERIA PLAN DESIGN & ADMINISTRATION

Weyco designs, implements, and administers custom IRS Section 125 cafeteria plans.

HUMAN RESOURCE OUTSOURCING

We can handle administrative functions that may have become a burden for your business—such as employee benefits enrollment, bill preparation, and transmission of eligibility determinations—greatly reducing the demand on your accounting and human resource personnel.

EXCESS LOSS COVERAGE

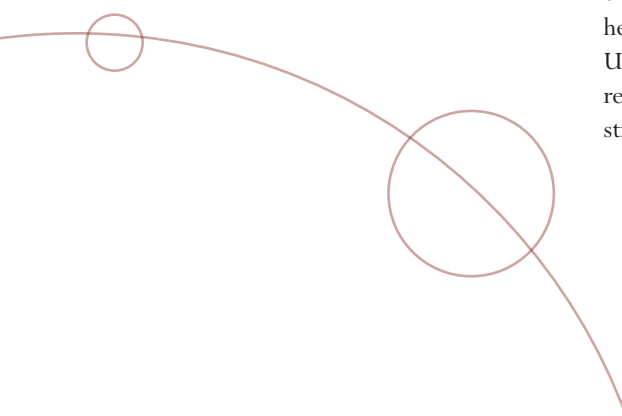
Our market services staff prepares comprehensive proposal packages outlining services offered by Weyco. And our longstanding association with high-quality managing general underwriters produces some of the most competitive quotes available from the excess-loss insurance market.

PROVIDER NETWORK MANAGEMENT

Weyco's network management services include access to an array of preferred provider organizations (PPOs) at the local and national levels. Our services also include network development, provider education, data management, utilization management, and provider profiling.

PLAN DOCUMENTATION & COMPLIANCE

Our contract services staff can provide all legal documentation related to administering employee benefit plans and regulatory compliance. These documents are designed to meet Employee Retirement Income Security Act (ERISA) and other requirements.



WEYCO'S

“When Weyco started, we were its first client. At that time, Dawn had approximately 200 employees. We now have over 2,500 employees, with about 2,100 on our medical plans. Over the years, we have realized significant cost savings through the self-funded medical plans that Weyco recommended and administers. The staff at Weyco keeps us aware of changes in the industry, and advises us accordingly. Today, Weyco handles all of our claims processing and case management, administers our COBRA, flex spending and short-term disability. It also brokers our life insurance, long-term disability, vision and stop loss insurance. Weyco is an excellent company to be associated with.”

—**Bob Johnson**
benefits manager
Dawn Foods



PRODUCTS & SERVICES



Client service is the singular passion that permeates our entire organization. With more than 25 years of experience in benefits administration, our service efforts don't end when your benefit plan begins. We continually maintain and update group eligibility records for our clients and assist their employees in filing claims. Our products and services include:

SELF-FUNDED PLANS

In a self-funded plan, an organization assumes some or all of the risk for providing health-care benefits to its employees, including controlling and investing plan assets. The major advantages are elimination of insurance company charges, improved cash flow, more customized coverage, elimination of premium taxes, and liability only for claims incurred during the contract year.

As a third-party administrator, Weyco designs self-funded plans using the health network that delivers the optimum combination of provider choice and discounted claims. We help employers with the administration and stop-loss coverage associated with self-funded medical plans. And our medical director and utilization-management team of doctors and nurses—skilled in large-case management—ensures that the highest level of care is available at the lowest provider cost.

Understandably, many large employers use self-funded plans to control health costs. However, because self-funding is based on the assumption that a given pool of employees will have, on average, the same or fewer claims than the population at large, such plans aren't ideal for every organization.

HYBRID PLANS

If your organization is not quite ready for a self-funded plan, it may be ready for a hybrid plan. Hybrids, or combination plans, allow organizations to combine high-deductible insured plans with a self-funded plan at a lower price. This allows for greater cost savings over traditional plans, and eases our clients into fully self-funded plans down the road.

In the event your medical plan is fully insured, carving out the dental and vision benefits for self-funding may be an effective way to manage those parts of your employee-compensation package.

Likewise, self-funding a prescription drug card can achieve significant cost savings. Creative plan design, along with a specialty drug program to manage the use of the new biotech prescriptions, is an essential part of our service.

INSURANCE PRODUCTS

MEDICAL, DENTAL & VISION COVERAGE

Weyco has solid, long-term relationships with a number of the most-preferred health insurance carriers. As a result, we can readily find the best medical, dental, and vision insurance rates and policy terms for our clients. We also partner with top insurers to offer various medical plan options for students.

LIFE & DISABILITY INSURANCE

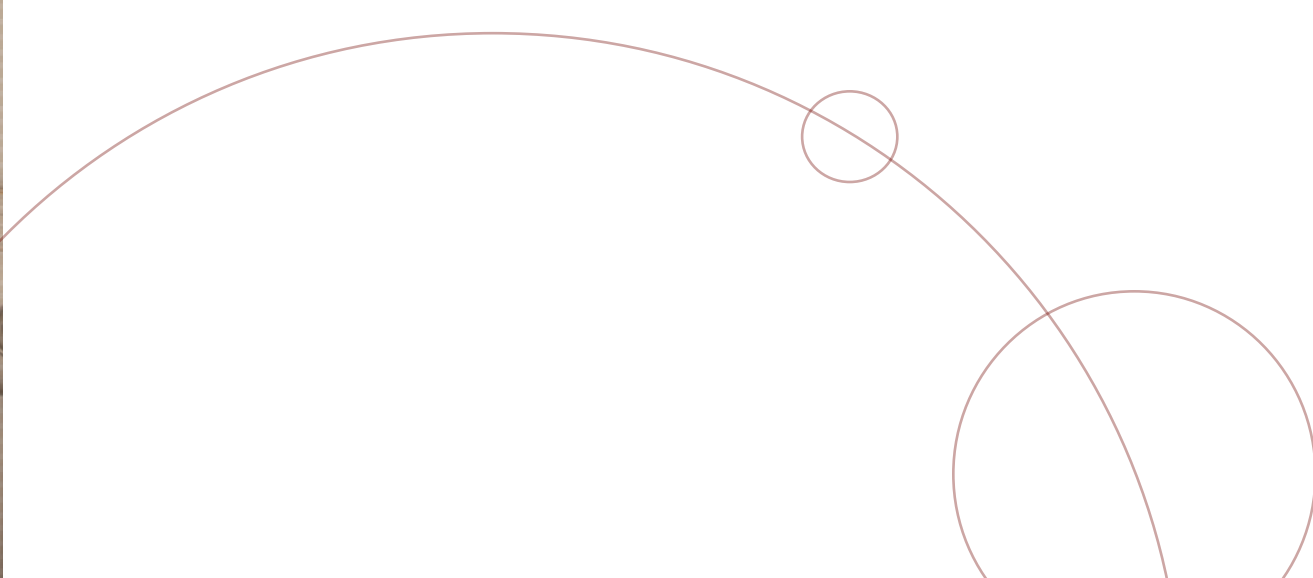
We offer group life and disability coverage through numerous carriers. We work with you to determine the best product fit for your employees and organization.

VOLUNTARY/SUPPLEMENTAL BENEFITS

With this optional program, your employees can enhance their own benefit packages based on their individual needs and at no additional cost to your business. Weyco can help you find the right program for your employees through our customized survey, professional quality-control model, and market research.

OTHER TYPES OF INSURANCE

In addition to numerous other options, we offer short- and long-term disability coverage, long-term care insurance, and travel insurance.



WEYCO'S

"I've been with Weyco for more than 7 years, and I enjoy coming to the office every day. It's extremely motivating to be part of a team where everyone—from top managers on down—truly believes in putting the client first. Together, we're always finding new ways to help our clients. And as a result, our clients know firsthand the advantages of choosing Weyco."

—Rhonda Bicy, customer service analyst, Weyco, Inc.



ADMINISTRATIVE SERVICES



Our expert staff works with clients to first design, and then administer, health-care plans and supplemental benefits that include:

MEDICAL, DENTAL, VISION

Weyco specializes in the administration of customized medical, dental, and vision plans.

SHORT-TERM DISABILITY MANAGEMENT

This benefit provides employees with income replacement during periods of illness or injury that impair their ability to perform essential job duties. Unlike most administrators, we have a staff physician who reviews and approves claims to ensure that they are medically necessary, if requested.

MEDICAL MANAGEMENT

Again, our medical-management staff can provide you the appropriate amount of service you need to oversee your plan's needs. Weyco's highly skilled medical staff of physicians and nurses have years of experience in reviewing plan requirements, pre-certification and pre-surgical review, fee negotiation and large-case identification. We can help manage, review, and monitor provider services to ensure that care complies with national standards and saves your staff time in dealing with employee compliance.

FLEXIBLE SPENDING ACCOUNTS

Employees can save significant tax dollars on healthcare expenses through these plans, which operate like pre-tax checking accounts. Employees deposit a predetermined amount of earnings into their personal flexible spending account (FSA) on a pre-tax basis each pay period. Then, during the year, they withdraw these funds—also on a pre-tax basis—to pay for eligible healthcare and/or dependent care expenses incurred by them or their family members, that would otherwise be paid with after-tax dollars. We also offer debit and direct deposit to make employee payments even easier.

HEALTH REIMBURSEMENT ARRANGEMENTS (HRAs)

HRAs, may be used as a medical plan option, a retirement account, or as a way to fund a group's opt-out of the plan payment. At Weyco, we can develop a variety of plan options to assist you in building reliable alternatives for managing group medical plans.

HEALTH SAVINGS ACCOUNTS (HSAs)

Weyco partners with a leading financial firm to efficiently manage the banking arrangement required for HSAs. An HSA is an excellent way to build up savings for post-retirement medical costs.

MEDICAL SUPPLEMENT

Organizations with 50 or more employees can realize substantial cost savings through a Medical Supplement plan. With this approach, all employees are enrolled in a high-deductible plan, and incurred claims are reimbursed at a lower deductible/coinsurance level. Our clients typically save 40 to 60 percent of the difference in premiums between the high- and lower-deductible plans. Weyco adjudicates claims and issues checks to employees.

PRESCRIPTION DRUG SERVICES

Our staff works with prescription benefit managers to assist organizations interested in self-funded prescription plans. Our consultants can help you customize your prescription plan to manage your overall benefit package.

HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT (HIPAA)

Weyco can help with HIPAA compliance by performing services on a continuing basis such as determining the amount of "creditable coverage," providing written notification to participants, providing certificates of creditable coverage to employees who terminate from the plan, assisting employees in obtaining certificates from prior coverage sources, and offering certificates of creditable coverage to qualified participants who terminate COBRA coverage.

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT (COBRA)

COBRA continues health coverage for an employee and his/her covered dependents if there is a loss of coverage based on certain qualifying events. When the use of COBRA becomes necessary, an employer offers employees and their dependents the ability to continue some—or all—of their current health benefits. Weyco administers COBRA in accordance with applicable laws and regulations. Our services include, but are not limited to, certified mailing of COBRA notices, communication of benefits, monthly billing, premium collection, and monthly reporting.

WEYCO'S

How's our lifestyle focus impacting our healthcare costs? Weyco's own health costs—including medical, dental, prescription, and vision coverage—are 30 percent below Michigan's average. Meanwhile, other employers' health costs continue to climb by double digits annually.



INNOVATIVE SOLUTIONS



ENROLLMENT AND BENEFIT OUTSOURCING ADMINISTRATION

Clients often rely on us for enrollment and benefit outsourcing administration so their accounting and human resources staffs can devote time to other significant workplace responsibilities. We offer enrollment and benefit outsourcing administration services for both self-funded and insured health plans. Among these services are:

- Fulfilling ID card requests for medical, dental, vision, and prescription plans
- Processing and reconciling insurance premium invoices, as well as issuing premium checks to carriers on your behalf
- Preparation and submission of claim and waiver-of-premium forms
- Conducting employee meetings at which our staff explains benefit packages (on a limited basis for companies in Michigan)
- Preparing benefit kits for your workplace that include essential forms and benefit plan information

ONLINE BENEFIT ADMINISTRATION

There's no need to spend time looking for the right paper forms for benefit enrollment when it can easily be done online with Weyco's web-based benefit administration. More than 30 different benefit plan types—health, life, disability, FSA, retirement, cafeteria, and so on—can be established online and maintained through our user-friendly system. At www.weyco.com the following functions may be performed:

- Online benefit management
- Employee self-service
- Streamlined data management
- Electronic data exchange
- Real-time reporting
- New employee enrollment, open enrollment, and life event changes
- Termination of employee/dependent coverage
- Addition of dependents
- Change of employee or dependent demographic information
- Amendment of individual employee benefit elections
- Processing new enrollments
- Understanding your EOB

THE BENEFITS OF FOCUSING ON LIFESTYLE

At Weyco, we believe that major health-cost savings can be attained when the emphasis is placed on helping employees to improve their health status.

Employers are frustrated by a healthcare system that erodes profits. Employees are alarmed by the erosion of their paychecks as they're asked to assume more of the cost of their healthcare benefits.

Yet, clearly, both productivity and profits rise when companies implement strategies that encourage employees to improve their health status, and reduce their risks for debilitating illness.

We offer innovative solutions for worksite health promotions to assist your employees to live healthier lifestyles. And, at Weyco, we take our own medicine.

We use federally approved health reimbursement arrangements (HRAs) and health savings accounts (HSAs) that allow employees to set aside funds for qualified medical expenses. In other words, our employees are in charge of their money, and they're rewarded when they manage their health risks.

Because lifestyle choices bear directly upon health, Weyco created walking trails for its 170-member staff, replaced junk food in vending machines with fruit, water, and healthy snacks, and instituted a tobacco-free workplace where no one may smoke—on or off premises. We also instituted a "Lifestyle Challenge" to enhance our corporate culture of health. Stipends for health club memberships, and cash incentives for meeting goals such as preventive-care exams, moderate physical activity, and healthy-living classes encourage employee participation.

How's our lifestyle focus impacting our healthcare costs?

Weyco's own health costs—including medical, dental, prescription, and vision coverage—are 30 percent below Michigan's average.

Meanwhile, other employers' health costs continue to climb by double digits annually.

WHAT NEXT?

If you're ready to finally tackle the problem of ever-increasing health costs, please don't hesitate to call on us for a personal consultation.

Weyco's consultants stand ready to examine your employee benefit plans and develop solutions uniquely tailored to your business.



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