



**TRUSTWAY**<sup>®</sup>  
T.E.A.M. SERVICES

## Third Party Administrator Discount Program Description

This program offers an alternative to insurance products aimed at school that self-insure but would like the discounting and re-pricing capabilities of a TPA (Third Party Administrator). This program offered through Trustway TEAM Services provides schools the opportunity to have health and athletic claims processed through a claims adjustor providing network discounts to claims that would typically not receive any or significant discounts.

How it works:

Trustway TEAM Services and its claims administrator would identify the expected claims for the school based off of its previous history. The school would be charged an administration and set-up fee of 6% of expected claims. (Example: The school is expecting based on previous history to have \$100,000 in claims. The school would be charged \$6000 as a set-up fee for the program.) The school would also need to fund the claims account equal to 50% the expected claims account. Once claims begin to occur the school would submit those to the TPA / Trustway TEAM Services claims coordinator for processing. The claims account would be charged 15% of the savings / discounts that are provided via the processing of the claim. (Example: If the billed amount was \$2000 and the program discounted the claim to \$1200 thus having \$800 in initial savings. The claims account would be charged \$1200 to pay the provider plus 15% of the savings or \$120 to pay the discounting service fee thus producing a net savings to the school of \$680.) It would be the responsibility of the school to maintain a "health balance" in the account to sure that providers can be paid in an expeditious manner thus producing the greatest amount of savings. A minimum of \$10,000 will need to remain in the account at all times. This program will be in effect for those injuries / illnesses that are sustained within the 8/1/09 to 7/31/10 school year. Claims may continue to occur after the period which will continue to process through the program. At the conclusion of the program year, the school will be returned all unused claims account monies. **Note: The anticipated / expected claims are not a maximum amount. This is not an insurance product thus there is no maximum cost to the school. Claims will only be paid when claims account and set-up fee have been established.**