

The Difference Card Q3 Webinar

Broker's Playbook:

Navigating the Healthcare Affordability Crisis for 2026 Renewals



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TODAY!!!!



2:00 PM EST



Zoom Registration

Today's Agenda

- ▶ Understanding the Health Insurance Affordability Landscape
- ▶ Exploring Plan Design Strategies
- ▶ Broker Playbook: Strategies for Winning in Q4



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A person wearing a yellow sweater is sitting at a desk. Their right hand is on a calculator, and their left hand is holding a small, crumpled piece of paper with blue markings, possibly a map or a document. The desk is covered with various papers and documents. In the background, there is a white cup on a saucer. The overall scene suggests a person working or studying, possibly related to the topic of the slide.

Understanding the Affordability Landscape

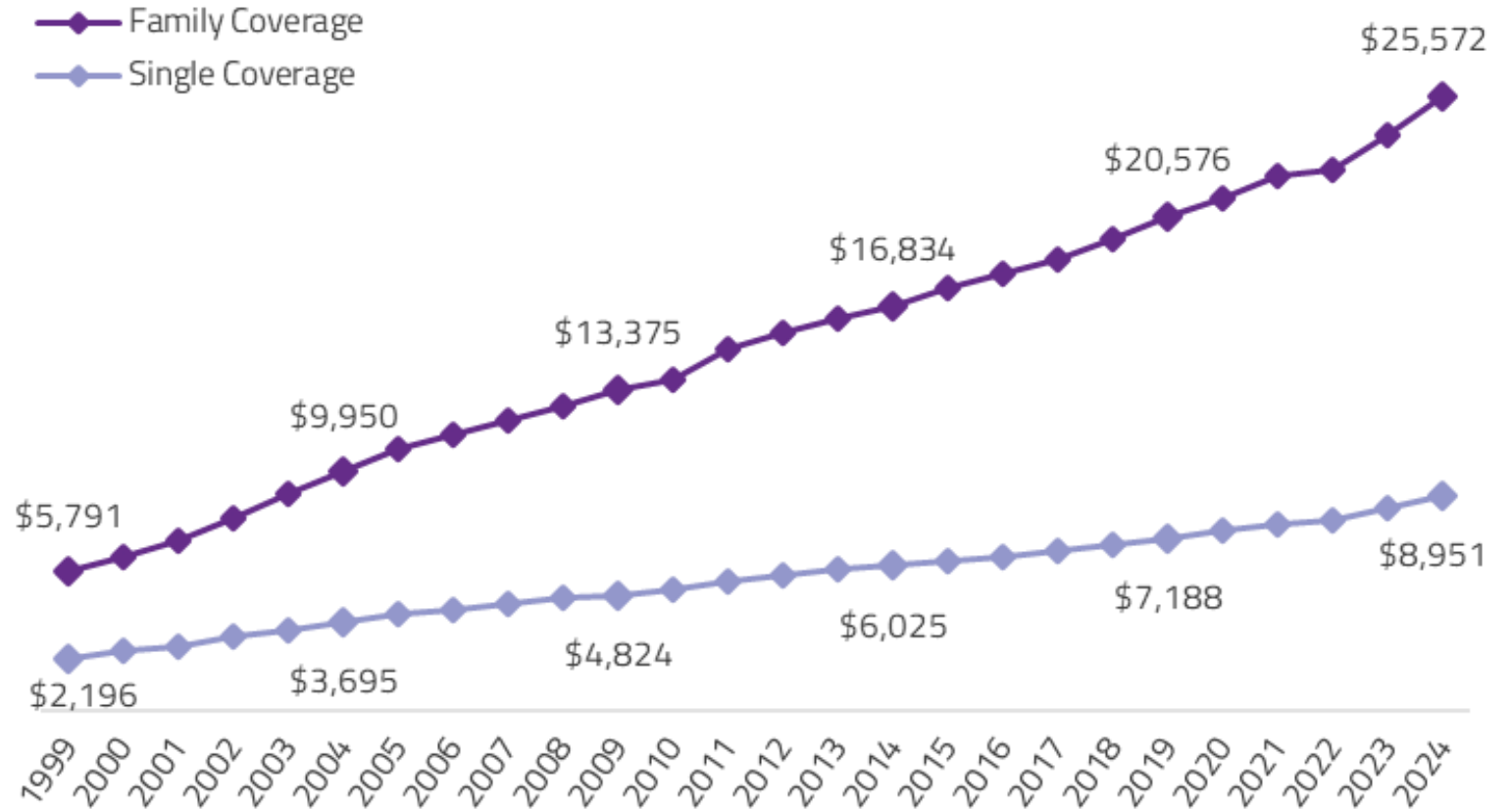
Health Insurance Expenses Keep Rising

The rising cost of health care.

The cost of US health insurance has increased by 50% in a decade.

By comparison, wages have only increase by 27% over the last 10 years.

Source: KFF 2024 Employer Health Benefits Survey



Why are health insurance costs rising?

Rising demand for high-cost service and drugs

- ▶ **GLP-1 Drugs:** In some employer plans, these account for over 10% of total annual pharmacy spend. **79% of employers report increased** utilization of these drugs.
- ▶ **Behavioral Health:** Demand for mental health and substance use disorders remains high. **73% of employers report increased** use of behavioral health and substance use disorder services.
- ▶ **Cancer Care:** Cancer remains the top condition driving costs.

Inflationary pressures across the health system

- ▶ **Labor Costs:** Hospitals and physician groups are increasing reimbursement rates due to inflation, staffing shortages, and supply chain issues.
- ▶ **Pharmacy Inflation:** Employers anticipate an **11–12% increase in pharmacy costs** from 2025 into 2026. Specialty drugs and obesity treatments are major contributors.

Strategic shifts in plan designs

- **Higher Deductibles and Copays:** **51% of large employers plan to shift more costs** to employees in 2026, up from 45% in 2025
- **Non-Traditional Plans:** Over one-third of employers will offer plans to steer employees toward **lower-cost, high-value providers**.



Poll Question #1

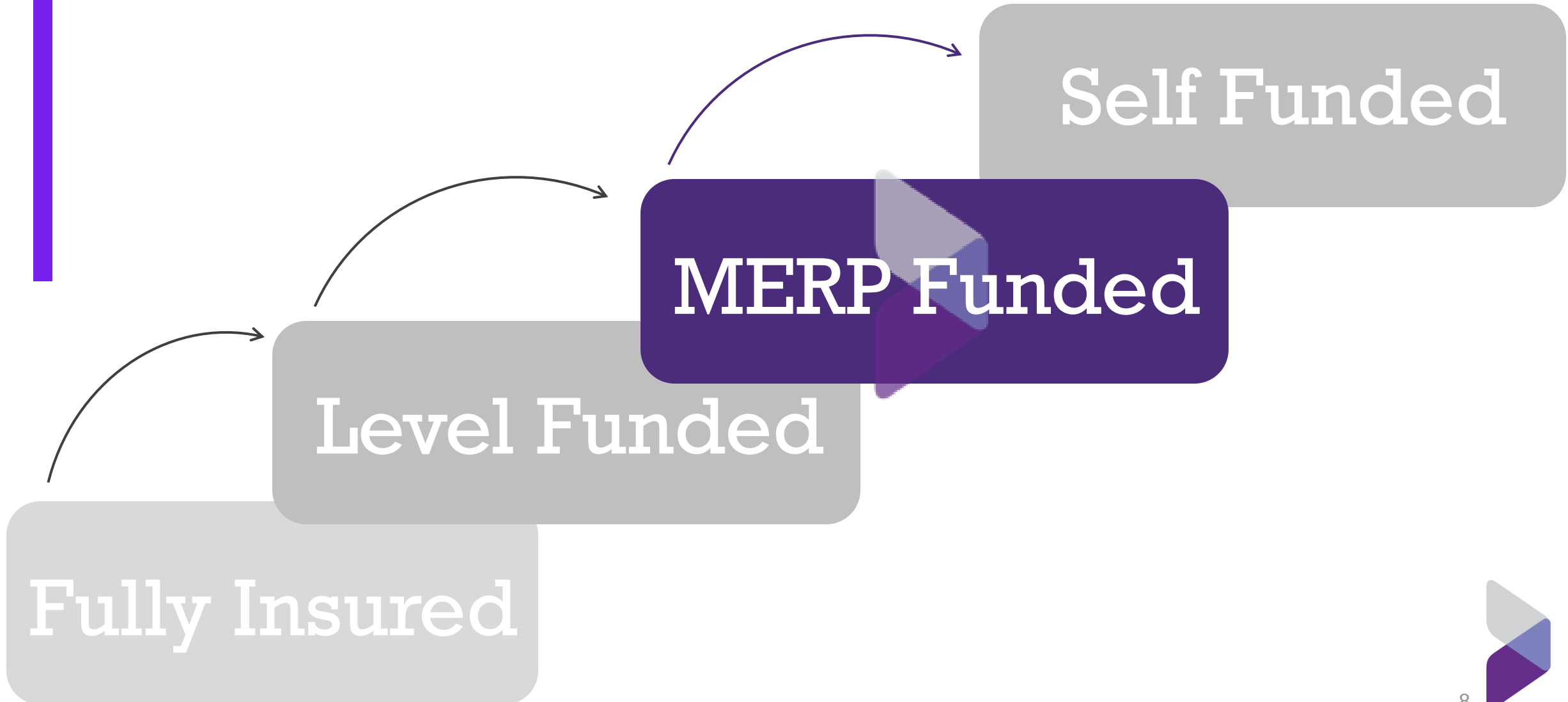
In your opinion, which reason is the biggest driver of increases for 2026?



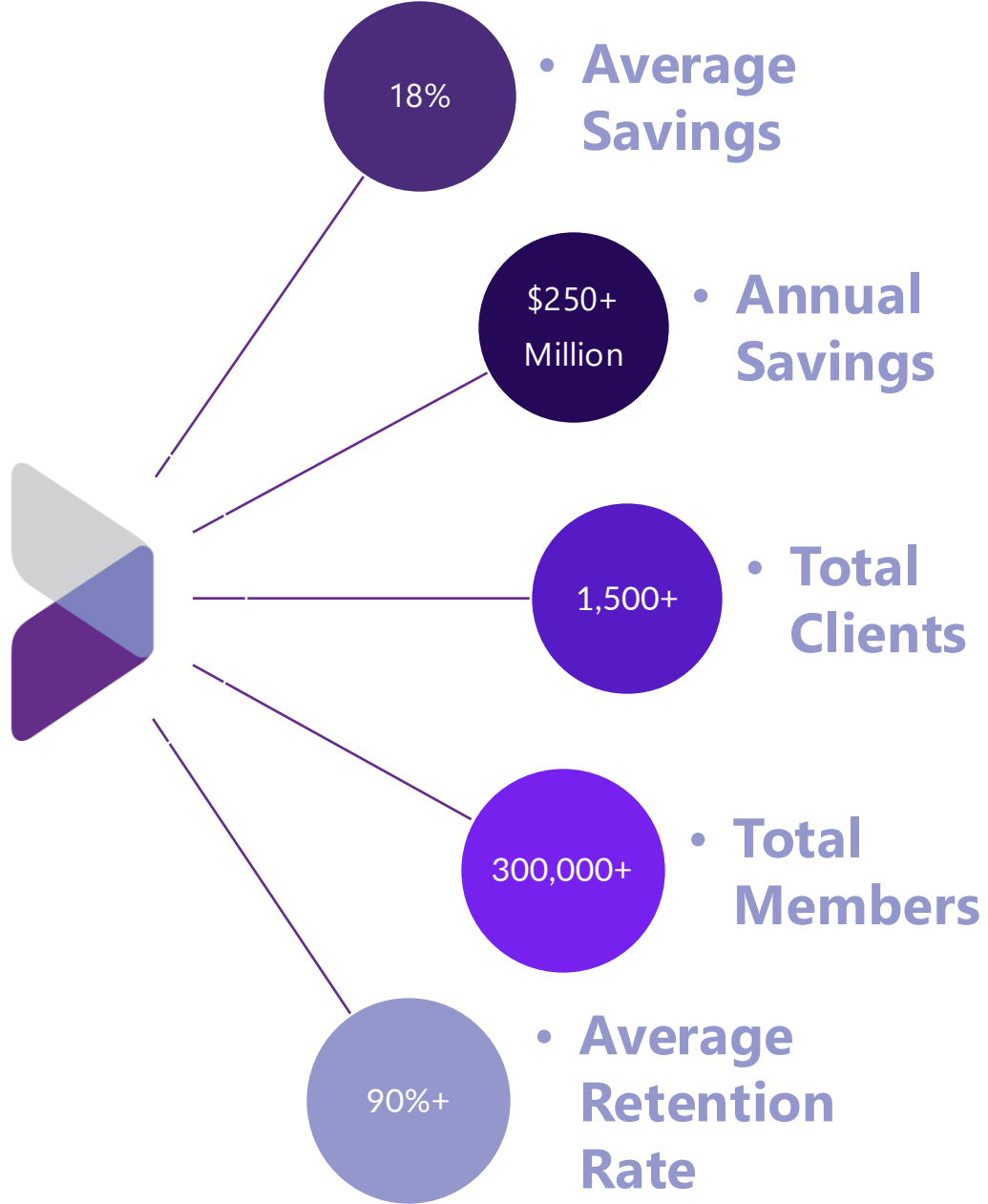


Exploring Plan Design Strategies

A Strategic MERP Plan Design Solution



How the MERP Solution Works



**FULLY
INSURED**

NON-REFUNDABLE
PREMIUM
\$1,000,000



The Difference Card

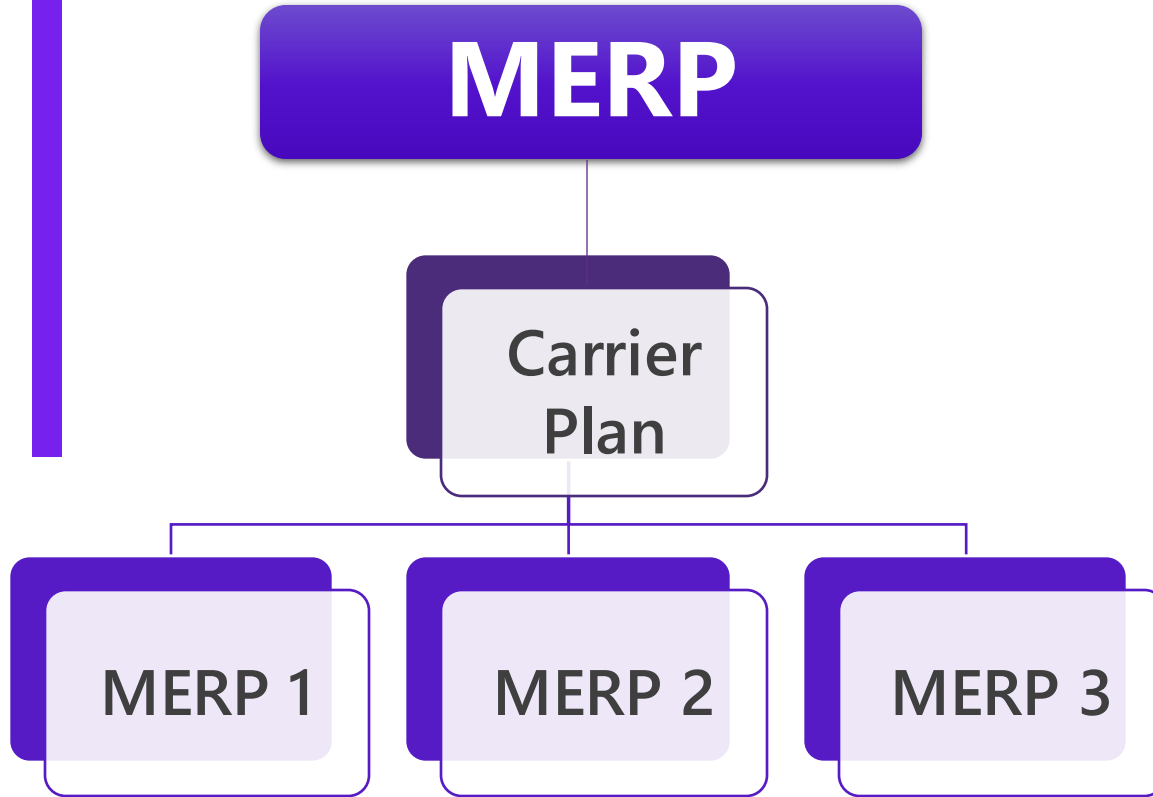
SAVINGS
\$178,000

ACTUAL CLAIMS
\$92,000

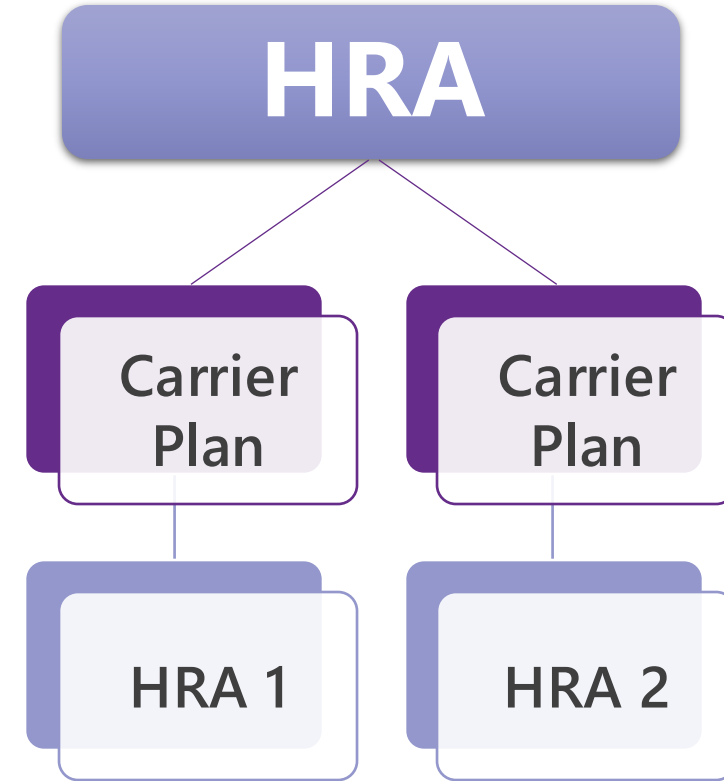
ADMIN EXPENSES
\$30,000

NON-REFUNDABLE
PREMIUM
\$700,000

MERP vs. HRA



Difference Guarantee
Employer + Employee Funding
Customized Plan Designs



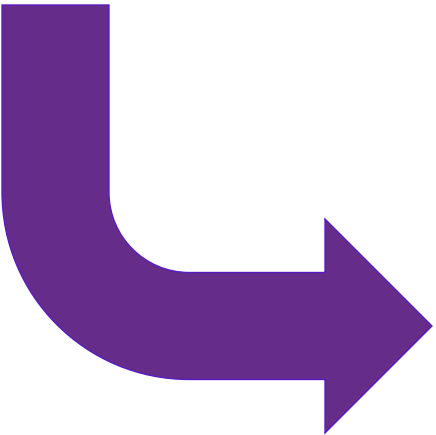
No Guarantee
100% Employer Funding
Standard Plans Only

Custom MERP Funding: Case Study #1

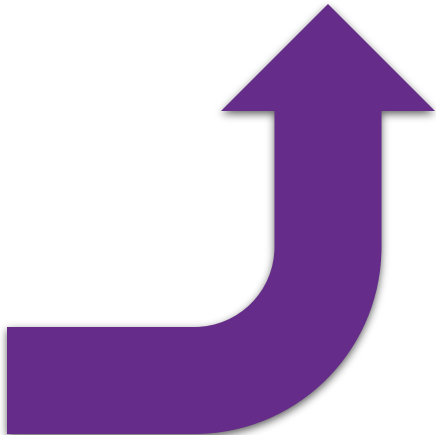
Current Carrier Plan	
\$30	PCP
\$30	Specialist
\$200	ER
\$1,000	Deductible
\$10/\$30/\$50	Rx



Difference Card Plan	
\$5	Primary Care
\$30	Specialist
\$200	ER
\$1,000	Deductible
\$10/\$20/\$30	RX Copay



Base Plan Design	
\$50	Primary Care
\$75	Specialist
\$250	ER
\$6,000	Deductible
\$20/\$40/\$60	RX Copay

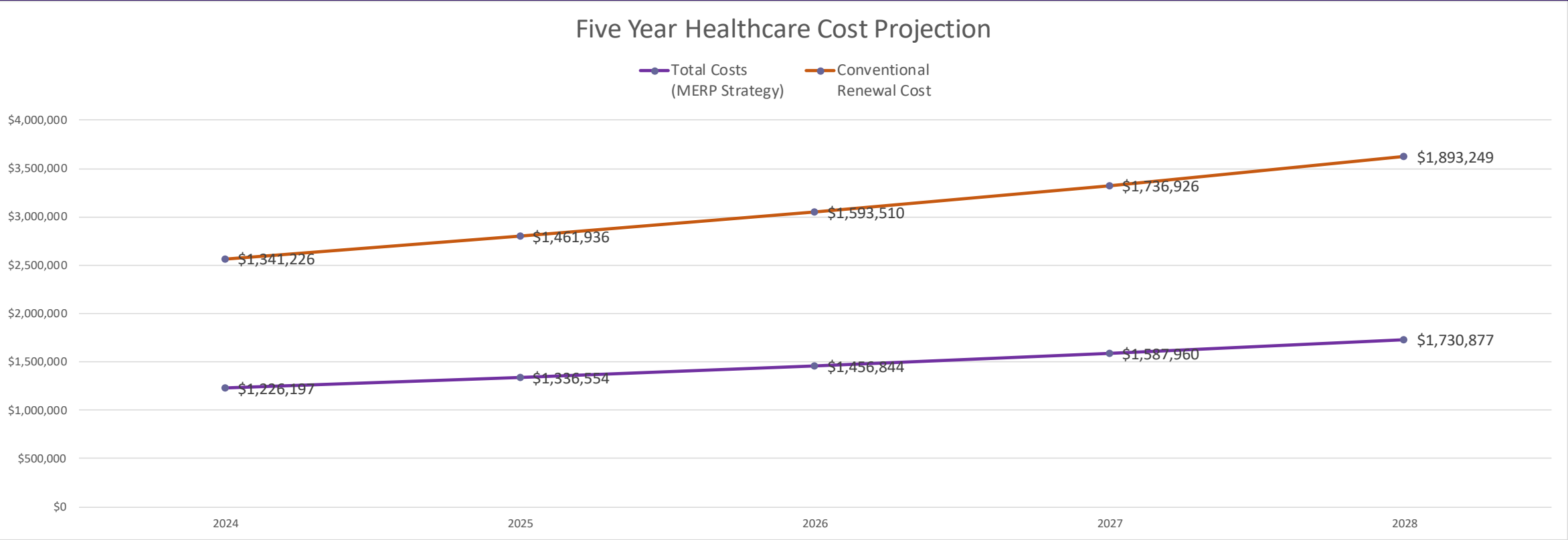




Private Sector Case Study

10/01/2024 - 09/30/2025

CURRENT COST	\$1,299,638	NET CHANGE
RENEWAL COST	\$1,341,226	3%
REVISED FIXED COST (CARRIER + DIFFERENCE CARD)	\$1,115,597	-14%
REVISED MAX COST (CARRIER + DIFFERENCE CARD + CLAIMS)	\$1,226,197	-6%
GUARANTEED SAVINGS	\$115,029	



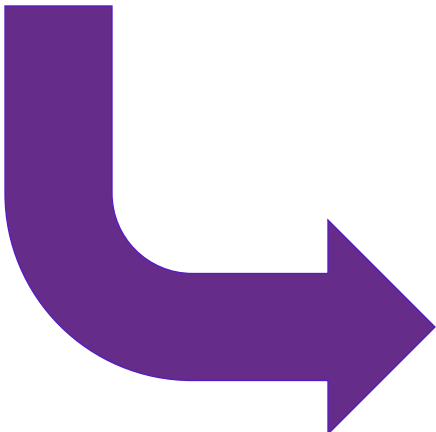
Time Frame	Conventional Renewal Cost	Minimum Premium	Total Costs (MERP Strategy)	Net Annual Savings
2024	\$1,341,226	\$1,115,597	\$1,226,197	\$115,029
2025	\$1,461,936	\$1,216,001	\$1,336,554	\$125,382
2026	\$1,593,510	\$1,325,441	\$1,456,844	\$136,666
2027	\$1,736,926	\$1,444,730	\$1,587,960	\$148,966
2028	\$1,893,249	\$1,574,756	\$1,730,877	\$162,373

PROJECTED FIVE YEAR SAVINGS

\$688,415

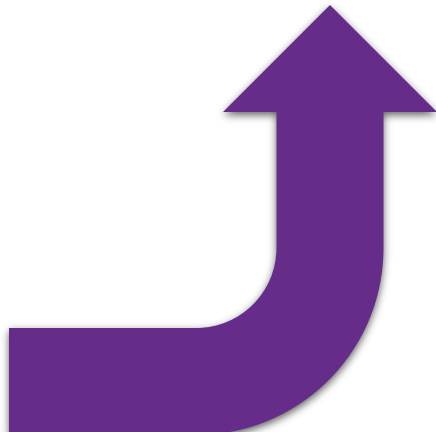
MERP Funding Strategy: Case Study #2

Current Carrier Plan	
\$30	PCP
\$30	Specialist
\$200	ER
\$1,000	Deductible
\$3,000	OOP Max
\$10/\$30/\$50	Rx



Base Plan Design	
Deductible	Primary Care
Deductible	Specialist
Deductible	ER
\$6,000	Deductible & OOP
Deductible	RX Copay

Difference Card Plan	
Difference Card Pays the First \$5,000	Primary Care
	Specialist
	ER
	Deductible
	RX Copay
\$1,000	OOP Max

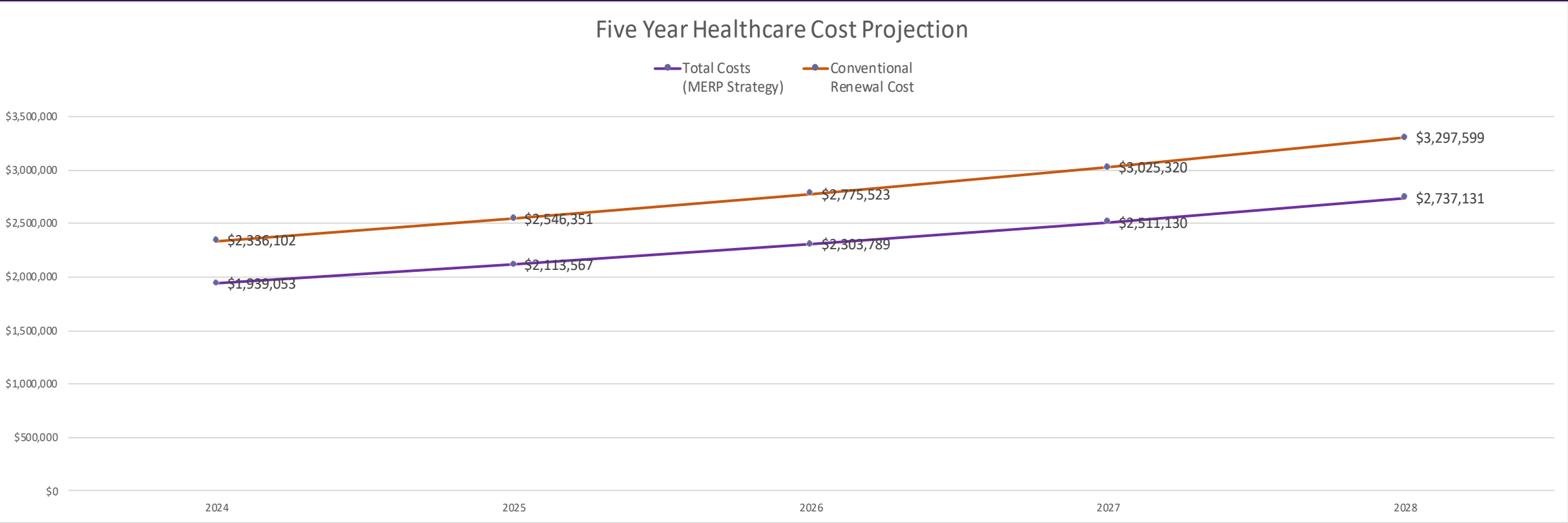




Sample Non-Profit Client

01/01/2024 - 12/31/2024

CURRENT COSTS	\$1,950,559	NET CHANGE
RENEWAL COSTS	\$2,336,102	19.8%
REVISED FIXED COST (CARRIER + DIFFERENCE CARD)	\$1,833,587	-6.0%
REVISED MAX COST (CARRIER + DIFFERENCE CARD + CLAIMS MAX)	\$1,939,053	-0.6%
GUARANTEED SAVINGS	\$397,049	



Time Frame	Conventional Renewal Cost	Minimum Premium	Total Costs (MERP Strategy)	Net Annual Savings
2024	\$2,336,102	\$1,833,587	\$1,939,053	\$397,049
2025	\$2,546,351	\$1,998,610	\$2,113,567	\$432,784
2026	\$2,775,523	\$2,178,485	\$2,303,789	\$471,734
2027	\$3,025,320	\$2,374,548	\$2,511,130	\$514,191
2028	\$3,297,599	\$2,588,258	\$2,737,131	\$560,468

PROJECTED FIVE YEAR SAVINGS

\$2,376,226

The Difference Guarantee



- ▶ Developed by in-house team of underwriters.
- ▶ Exclusive product backed by an A rated division of Assurant.
- ▶ In the market since 2018 with thousands of groups currently enrolled.
- ▶ A contractual promise that your claims will not exceed a certain amount.



Poll Question #2

In the past 12 months, how many of your clients have requested alternative funding options?



A person wearing a yellow sweater is sitting at a desk. Their right hand is on a calculator, and their left hand is holding a white document with blue markings. There are papers and a white cup on the desk. The background is blurred.

Broker Playbook for Q4

Four Questions You Should Always Ask During Renewal Prep

1. What is your **top priority** for this renewal? Cost savings, employee retention, or plan stability?
2. How are **rising healthcare costs** affecting your overall business strategy?
3. What level of **risk tolerance** does your organization have for alternative funding or plan design alterations?
4. How do you define a **successful benefits program**, from both leadership and employee perspectives?

Key Takeaway: Asking better questions uncovers the real problems, not just the budget line item.



Speak the Language of Your Audience

Executives: Focus on financial predictability, ROI, and long-term cost control.

HR Leaders: Emphasize employee engagement, talent retention, and ease of administration.

Benefits Admins: Highlight affordability, access, and minimal disruption.

Key Takeaway: Each audience needs to feel comfortable in controlling what they are responsible for at the organizational level.



Be a Consultant, Not a Commodity Broker

Commodity Broker: Delivers quotes, reacts to rate increases.

Consultant: Provides education, custom strategies, and a clear roadmap for cost control.

Show your value by:

- Bringing **data and benchmarking** into conversations.
- Offering **innovative plan design options** instead of “off-the-shelf” solutions.
- Framing your role as an **extension of their leadership team**.

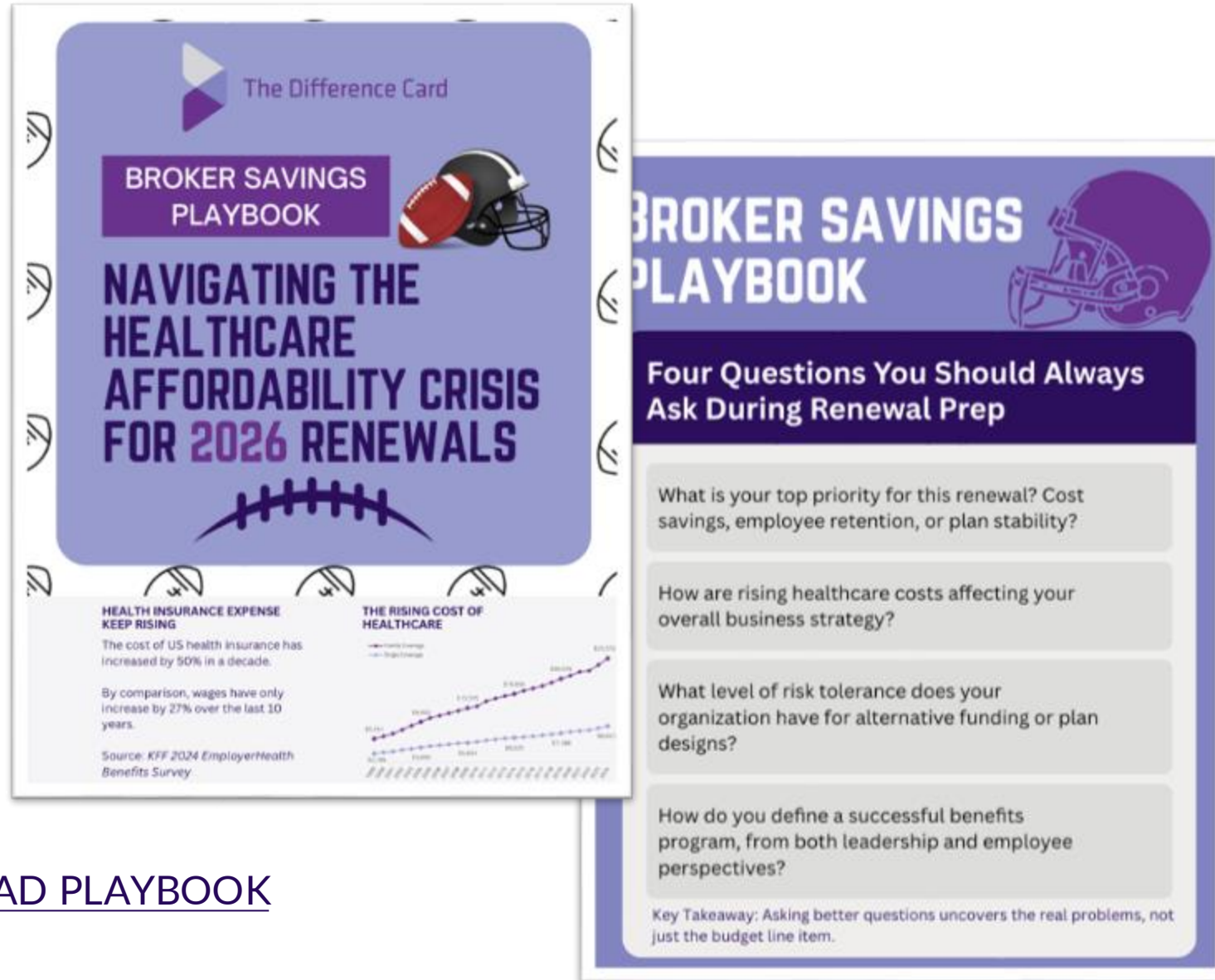
Key Takeaway: Employers don't need another quote. They need a partner to lead them through the increasingly difficult insurance landscape.





Next Steps

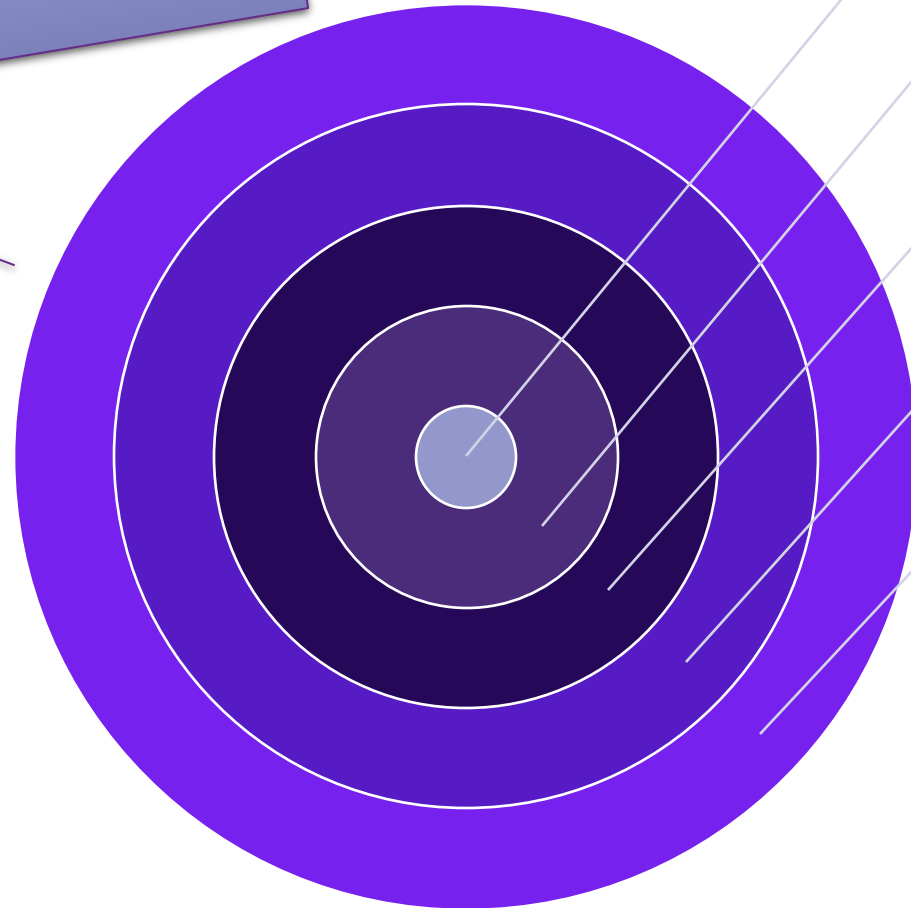
1. Download Your 2026 Broker Playbook



[DOWNLOAD PLAYBOOK](#)

2. See if a MERP is the Right Solution

The Difference Card works well if your client meets any of this criteria.



Mid-Market 25-1,000 Enrolled

Fully Insured or Level Funded

High Level of Benefits
Platinum + Gold

Interested in Healthcare Savings

Interested in Improved Benefits



3. Request a Difference Card Quote

CLICK HERE TO
REQUEST A QUOTE ONLINE



Data Needed for MERP Proposal



Medical Rates
+
Enrollment by Tier



Plan Design
Summary of
Benefits



Broker
Compensation
PEPM Amount



The Difference Card

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