



ValidationInstitute

2021 Validation Report

Review for: Catilize Health
Valid through January 2022



Company Profile



Catilize Health

Category:	Special Savings
Website:	https://catilize.com/
Public or Private:	Private
Year Established:	1990
CEO:	Craig Lack
Company contact:	info@catilizehealth.com

Description:

Catilize Health is the standalone professional benefit administrator of the Medical Expense Reimbursement Plan aka SIHRA™ or Spousal MERP. Employers and employees benefit because SIHRA™ reduces financial inequity, dramatically lowers risk and measurably increases the bottom line. **Catilize Health** delivers niched benefits administration with a massively transformative purpose which enables Employer Plan Sponsors to effectively level the playing field of economic disparity so prevalent in today's health plan designs.





Claim Assertion for Validation

Spousal Incentive Health Reimbursement Accounts (SIHRAs™) can significantly reduce a company's health benefit spend and reduce the employee share, by shifting the health benefit to a spouse's employer.

In addition to shifting the health benefit, Catilize provides robust reporting on how the SIHRA™ is spent, and what the savings are.

Method / Calculation / Examples

The “validation” is pure arithmetic. It is simply not possible to lose money on the Catilize program.



Findings & Validation

Catilize is the leader in the business of facilitating Spousal Incentive Health Reimbursement Accounts (SIHRA™).

By way of background, in many organizations well over half of health spending goes to dependents. SIHRA™ gives employees whose spouses have good coverage a strong incentive to switch, by covering their remaining out-of-pocket expenses.

The Catilize Health SIHRA™ technology allows employer plan sponsors to monetize the spread between the group's PEPY cost versus the SIHRA™ participant PEPY cost every year. By covering all those expenses, the SIHRA™ delivers a 100% medical plan tier option with a maximum effective PEPY in 2021 (adjusted annually per the ACA) of \$8,550, in contrast to the national average of \$12,000-\$15,000 PEPY.

Hence, it is mathematically impossible not to save money for the employer sponsor. Because very few employers set their out-of-pocket maximum at the ACA limits. The average SIHRA™ PEPY is most often between \$4,000-\$5,500, creating an even larger positive variance vs. the group PEPY. (\$8,550 is what you would spend if everyone in your SIHRA™ group maxed out their spend.)

The savings are 100% measurable as validated by the participants EOB.



Validation and Credibility Guarantee

Catilize Health has achieved a level 1 – Savings validation. Validation Institute is confident that **Catilize Health** performs as they state they are willing to provide up to a \$25,000 guarantee as part of their Credibility Guarantee Program*.

Level 1 - Savings

Can produce a reduction of health care spend including the cost of the provider. Product/solution has produced, and replicated a lower cost for healthcare overall or a specific component of healthcare

Level 2 - Outcomes

Product/solution has measurably “moved the needle” on an outcome (risk, hba1c, events, employee retention, etc.) of importance.

Level 3 - Contractual Integrity

No outcomes or savings has been shown, but vendor is willing to put a part of their fees “at risk” as a guarantee

Level 4 - Metrics

Claim is made that – with sourced, overridable assumptions linked to peer-reviewed or government sources





Validation Expiration: January 2022

CERTIFICATE OF VALIDATION

Applicant: **Catilize Health**
2605 Nicholson Rd. (Suite 1140)
Sewickley, PA 15143

Claim: Spousal Incentive Health Reimbursement Accounts (SIHRAs™) can significantly reduce a company's health benefit spend and reduce the employee share, by shifting the health benefit to a spouse's employer.

Validation Achieved: **Level 1 - Validated for Savings**

Award Date: February 2021

Al Lewis
Senior Advisor
Validation Institute

Benny DiCecca
Chief Executive Officer
Validation Institute





About Validation Institute

Validation Institute is a professional community that advocates for organizations and approaches that deliver better health value - stronger health outcomes at lower cost. We connect, train, and certify health care purchasers, and we validate and connect providers delivering superior results. Founded in 2014, the mission of the organization has consistently been to help provide transparency to buyers of healthcare.

To strengthen our offering and provide additional credibility around our service, the Validation Institute recently announced a Credibility Guarantee* that offers customers of validated solution providers up to a \$25,000 guarantee. This guarantee confirms that a validated solution provider will, achieve what the validation language on a marketing claim says it will achieve.



VOLUNTARY BENEFITS PROGRAM CUTS COSTS, NOT OPTIONS

School District saves \$5,084,750 in plan costs over two years with the SIHRA™

SITUATION

Rising healthcare costs and budgeting challenges have left many employers rethinking how they handle employee benefits. One public agency in the Southern California region was eager for a solution to help cut costs. The challenge was finding a way to reduce expenses without deteriorating benefit options.

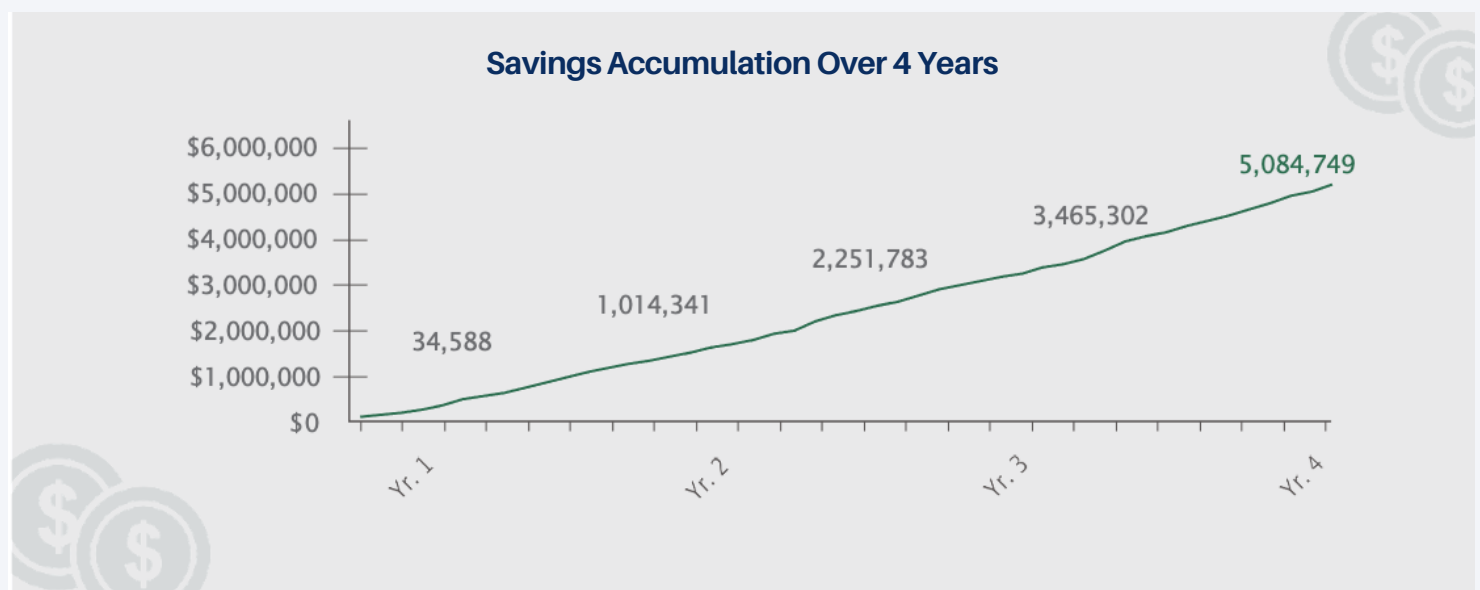
SOLUTION

With 1,000 employees in their group, they decided to offer the SIHRA™ as a voluntary choice for the last four years. The SIHRA™ is designed to be a win/win solution for the Employer, Unions, and Employees. It encourages employees to enroll in an alternative group medical plan with the opportunity to get up to 100% of their out-of-pocket expenses, copays, and deductibles reimbursed. For employees who have an increased premium under their spouse's plan, the SIHRA™ can reimburse up to 100% of the difference.

By transferring medical plan costs to the spouse's employer, premium savings are immediately realized and risk is reduced for the employer. It also gives employees another cost-effective benefit option without deteriorating existing benefits.

RESULT

More than 90 participants signed up for the voluntary program over the 4 year period. The first month saw immediate plan savings of \$34,588. By year 2, savings rose over 300% compared to the first month. After 4 years, plan savings accumulated to a total of \$2,798,335 in immediate cost reduction and at least \$2,286,415 in utilization reduction.

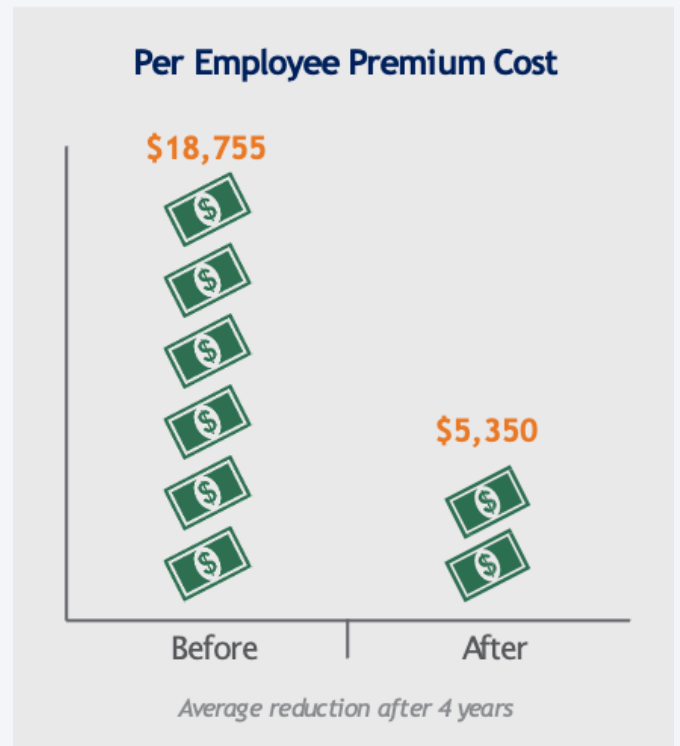


A WIN/WIN/WIN SITUATION: CUT COSTS, NOT BENEFITS

Research from One Medical Group found that 59% of employees view employee benefits as “very important” to how they feel about their job and their employer. The SIHRA™ allows employers to save money without having to sacrifice the value that comes with offering comprehensive and affordable benefits packages. You move risk away from your organization, drive immediate savings, avoid implementing disruptive changes to your current benefit offerings, and give employees another cost-effective option.

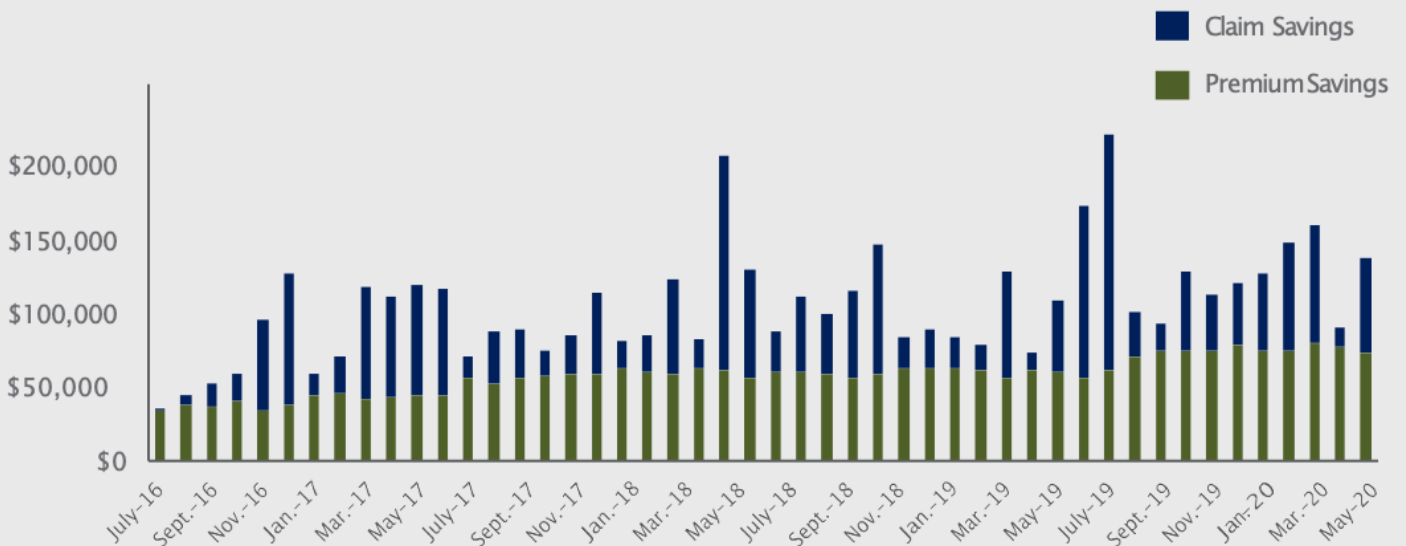
Every employee that enrolls in SIHRA™ generates immediate premium savings for employers.

www.onemedical.com/about/One-Medical-Benefits-Release.pdf



Immediate and Continued Savings on Premiums and Claims

While premium savings remain relatively consistent through the year, claim savings rose during periods of increased benefit usage.



Please visit us at www.catilizehealth.com

For questions, please contact:

info@catilizehealth.com