

12-09 Weekly Meeting: Capstone's Strategic Updates and Health Care Solutions

Capstone's Strategic Updates Health Care
Solutions Compliance and Implementation

Meeting Information

- Date & Time: 2024-12-09 15:08:46
- Location: [Insert Location]
- Attendees: [Chris Gaddis] [Andrew Cardì]

Meeting Notes

1. Capstone's Strategic Updates and Future Growth Plans

- **Resource Management and Plan Updates**

The speaker discusses the introduction of new plans, including the medical plan and specific plans for Puerto Rico. They emphasize the importance of the PLUS plan and the processes involved in managing these plans through a dashboard system.

- **Licensing and Business Operations in Puerto Rico**

The speaker clarifies that a license is not required to do business in Puerto Rico, but advises consulting with them due to the concentrated market. They mention working with an NGA for Puerto Rico operations.

- **Commission Structure**

The speaker explains the commission structure, highlighting that it is based on pay periods and can vary depending on the employer's pay frequency. They acknowledge the complexity of commission statements and offer assistance.

- **Choice Platform for Small Cases**

Starting January 1st, cases with under 50 employees will be required to use the Choice platform, a self-insured medical reimbursement plan. This decision is due to the efficiency and cost-effectiveness for smaller groups.

- **Capstone's Market Position and Growth**

The speaker reflects on Capstone's growth and market position, noting the challenges faced in the industry and the progress made in gaining larger clients. They express optimism for continued growth in 2025.

- **Tax Efficiency and Wellness Programs**

The speaker discusses the success of tax efficiency programs and the perception of wellness plans. They emphasize the importance of these programs in Capstone's offerings.

- **Health Insurance Product Launch**

Capstone is launching a health insurance product under Health 365 Plus, with official operations starting January 1st. This product is part of their expanding portfolio.

- **ERISA Compliance and Enrollment Processes**

The speaker explains the ERISA compliance requirements for opt-out enrollments, which necessitate a 30-day notice period. This process can delay plan implementation.

2. Capstone's competitive strategies and compliance in program implementation

- **Competitor Issues and Security**

[Chris Gaddis] discussed the issue of competitors infiltrating their training sessions and partner portal, leading to unauthorized use of materials. Emphasis was placed on the need for approval before using Capstone's logo or materials to avoid liability.

- **Role of Market Directors**

[Chris Gaddis] highlighted the importance of market directors like Andrew in providing expertise and support during the sales process. They help improve closing ratios and ensure smooth implementation of business processes.

- **Implementation and Competitive Advantage**

[Chris Gaddis] emphasized Capstone's ability to implement business processes efficiently compared to competitors. They highlighted their strong systems and processes as key differentiators.

- **Program Types and Compliance**

[Chris Gaddis] explained the different types of programs offered, such as SMERP and indemnity plans, and the compliance requirements, including ERISA and taxation issues.

- **Taxation and Legal Context**

[Chris Gaddis] provided a detailed explanation of the legal and taxation context of their programs, referencing the Affordable Care Act and IRS regulations.

Conclusion

1. Ensure all materials using Capstone's branding are approved to avoid legal issues.
2. Utilize market directors for their expertise to enhance sales and implementation efficiency.
3. Capstone's efficient implementation processes are a significant competitive advantage.
4. Ensure compliance with ERISA and taxation regulations when implementing programs.
5. Current law supports the operation of these programs without additional taxation requirements.

3. Health Care Solutions for Small Businesses

- **Health Care Programs for Small Businesses**

The discussion focused on health care options for companies with fewer than 50 employees, highlighting the Choice program and minimum essential coverage (MEC) under the Affordable Care Act. The conversation also covered the benefits of offering additional health benefits and the role of AI-based enrollment systems.

- **Wellness and Prevention Programs**

The importance of wellness and prevention in health care was emphasized, with a focus on proactive health measures and the use of CPT codes for group health coaching. The discussion also touched on the challenges of implementing wellness programs in certain work environments.

- **Employee Eligibility and Savings**

The conversation addressed employee eligibility for health programs and the potential savings for both employees and employers. Factors affecting eligibility include wages, dependents, and withholding. The discussion also covered average savings based on state taxes and other factors.

- **Amaze Health Service**

Amaze was discussed as a comprehensive health service offering convenience and cost savings. It provides services like appointment scheduling, bill negotiation, and proactive health management, distinguishing it from traditional Teladoc services.

- **Challenges with Census Information**

The difficulty of gathering census information for health program enrollment was discussed. A quick quote system was suggested as a solution to streamline the process and avoid slowing down sales.

Conclusion

1. The Choice program and MEC provide viable options for small businesses to offer health benefits.
2. Wellness and prevention are key to reducing health care costs and improving employee health.

3. Eligibility and savings vary based on individual circumstances, but most employees can benefit from the programs.
4. Amaze offers significant benefits in terms of convenience and cost savings for health care management.
5. Using a quick quote system can expedite the sales process and reduce the burden of gathering census information.

4. Implementation and transition of new processes and plans within Capstone, addressing HR and broker challenges, and upcoming training and commission changes.

- **HR and Broker Challenges**

Discussion on the challenges of dealing with HR departments and brokers when implementing new solutions. HR often resists additional work and brokers may not be doing their job effectively, leading to overcharges.

- **Capstone Software and Training**

Introduction of a new software process with an added step for email verification. Training sessions are scheduled, with the next one on December 16, 2024, and the following in January 2025.

- **Commission Changes**

Discussion on commission changes effective January 1, 2025. Existing deals registered before December 31, 2024, will be grandfathered at the original rate.

- **Capstone Plus and Choice Plans**

Clarification on the continuation of the Capstone Plus program until the Choice Plan is unveiled in January 2025. The Choice Plan will cater to companies with 50 or fewer employees.

- **Implementation Process**

Explanation of the implementation process for gathering census data, including self-portal, census-to-census, and API methods.

Conclusion

1. Approach C-suite first and be prepared to address broker issues.
2. Ensure new recruits are informed about the new process.
3. Register deals in the new portal to ensure correct commission rates.
4. Choice Plan details will be provided in January 2025.
5. TPA will gather necessary data during the implementation process.

Next Arrangements

- [] Chris, Al, and Andrew are working on rolling out new plans in January.
- [] Next training session on December 16, 2024.

- [] Training sessions to resume on January 6, 2025.
- [] Commission changes effective January 1, 2025.
- [] Choice Plan details to be provided in January 2025.

AI Suggestion

AI has identified the following issues that were not concluded in the meeting or lack clear action items; please pay attention:

1. Clarification is needed on the specific processes and improvements for the new plans being introduced, particularly regarding the Choice Plan's implementation for companies with 50 or fewer employees. This includes understanding the approval processes for using Capstone's materials to prevent unauthorized use and ensuring compliance with ERISA requirements, which may cause potential delays due to the 30-day notice period.
2. Further details are required on the implementation and training for the Choice platform, including finalizing the rollout plans for the Choice and PLUS programs by January. This involves ensuring clarity on how these will be presented to business owners and making sure all team members understand the new software process and commission changes.
3. Potential legal risks exist if Capstone's materials are used without approval, necessitating strict enforcement of approval processes. Additionally, a clear protocol must be developed for handling competitor infiltration in training sessions and partner portals to mitigate these risks.
4. Further discussion is needed on the implementation of wellness programs in environments like call centers and restaurants, where employee movement may be restricted. This requires a comprehensive strategy to address these unique challenges effectively.
5. Potential delays in implementing new health plans could occur if the quick quote system and AI-based enrollment are not fully operational by the rollout date. It is crucial to ensure these systems are ready to avoid disruptions in the rollout schedule.