Shield HEALTH 360

Better care for employees. Payroll tax savings for employers.

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AVERAGE ANNUAL FAMILY PREMIUM, 2025

$26,993

11%

Median small-group premium increase filed for 2026

14%

Median small-group premium increase proposed for 2027

2025 family premium up 6% over 2024; workers contributed $6,850 on average

01 · THE CHALLENGE

Health coverage costs are climbing faster

National context for employers and their employees

For the CFO small-group insurers filed a median 11% increase for 2026 and are proposing 14% for 2027.

For HR workers contribute $6,850 a year toward family coverage on average, which shapes how they value their benefits.

For the owner the question is whether there is a structure that adds practical value for employees without adding a new premium line.

Source: KFF 2025 Employer Health Benefits Survey, KFF small-group 2026, KFF small-group 2027

The smaller the company, the less likely it offers health benefits

Share of employers that offer health benefits, by company size, 2025



Almost every large employer offers health benefits. Only about half of the smallest employers do, and cost is the reason they most often give.

Source: KFF 2025 Employer Health Benefits Survey, KFF Employer-Sponsored Health Insurance 101

Benefits only work when employees can use them

Five everyday problems this program is designed to address

01

Cost of care

Premiums, deductibles, and out-of-pocket costs that keep employees from enrolling or getting care

02

Finding care

Difficulty finding and scheduling care

03

Cost confusion

Confusion about benefits and prescription costs

04

Gaps between visits

Limited support between medical visits

05

Low utilization

Benefits that employees may struggle to use

How many of your employees have no coverage today, and what do they do when they get sick?

Adds to what you offer. Replaces nothing.

SHIELD Health 360 sits on top of the benefits you already have. Employees without coverage gain real access to care. Employees with coverage gain more of it. Nothing they have today goes away, and we run the enrollment.

EMPLOYEES WITHOUT COVERAGE

Licensed providers at $0 by phone or video, a defined in-person schedule, prescription savings, and a team that helps them use it.

EMPLOYEES WITH COVERAGE

The same access layered on top of their existing plan: no waiting room, no copay for phone or video visits, and outreach between visits.

FOR THE EMPLOYER

One structure that can be modeled on payroll cost and documented properly, without touching the plan you have. We run enrollment and onboarding.

Every enrolled employee gets all of this

From MEC preventive care to prescriptions, GLP-1 programs, and whole-family access

01 Essential Plus MEC
ACA preventive care at $0: wellness visits, screenings, immunizations, well-child and well-woman care, preventive prescriptions

02 Onsite visits, unlimited
$20 primary care and $50 specialist visits through the First Health network: 982,000+ providers and 5,300+ hospitals nationwide

03 Primary care, two ways
$0 by phone or video and $20 onsite, both unlimited. Employees choose how they want to be seen.

04 Urgent care by phone or video
Included with membership, day or night, 365 days a year

05 Nine care service areas
Mental health, chronic disease management, prescriptions, dental support, weight management, smoking cessation, insurance support, health education

06 Care for the whole family
Up to 8 household members at no additional cost

07 SHIELD prescription program
3,000+ medications, retail pickup or home delivery, income-based assistance; 10% generic and 20% brand coinsurance under the MEC

08 GLP-1 and specialty programs
GLP-1 weight management, peptide, hormone health, and vitality programs, each on a clinical pathway

09 SHIELD Care Concierge
Real people who find providers, schedule care, and explain benefits

10 Provider-Driven Care Outreach
40 coordinated outreach events per member each year, guided by a provider's review

11 SIMERP payroll structure Illustrated $147.09 more monthly take-home for the employee and ≈$99.07 gross monthly FICA savings for the employer, before program fees. Enrollment and onboarding are run by SHIELD Health 360.

This is 1954 tax code, not a loophole

The structure relies on long-standing Internal Revenue Code provisions, not a novel interpretation

1954

Sections 105 and 106 establish provisions addressing health-plan payments and employer-provided health coverage

1978

Congress adds Section 125 governing cafeteria plans

Section 125

Qualifying elections between cash compensation and eligible benefits

Section 106

Exclusion for qualifying employer-provided health coverage

Section 105(b)

Exclusion for qualifying medical-expense reimbursements

Section 213(d)

Definition of medical care

Source: Section 105, Section 106, Section 125

Two payroll entries. Both already in the code.

Two separate transactions, each with its own tax requirements



1. Employee elects qualifying benefits under the employer's plan
2. Payroll applies the qualifying pretax contribution
3. Applicable taxable wages decrease
4. Employee and employer payroll taxes may decrease
5. Eligible medical expenses are substantiated and reimbursed under the plan's requirements

A · Pretax contribution

Steps 1–4. Section 125 election and payroll treatment.

B · Reimbursement

Step 5. Plan and substantiation requirements.

Source: IRS Employer's Tax Guide to Fringe Benefits, Publication 15-B

The code behind each stage of the program

Four stages, and the provisions each one relies on

1 WELLNESS

- 42 U.S.C. § 300gg-4(j)
- 78 FR 33158 (2013)
- ERISA · HIPAA · ADA

A participatory wellness program designed under ACA and HIPAA wellness rules, with ERISA, HIPAA, and ADA requirements applied.

2 MEDICAL

- IRC § 213(d)

Care delivered through the program is medical care under § 213(d). That definition is what the tax treatment depends on.

3 PRE-TAX

- IRC § 125
- IRC § 106(a)
- IRS CCA 201703013

Contributions reduce taxable wages through a § 125 cafeteria plan. Coverage providing medical care is excluded under § 106(a).

4 POST-TAX

- IRC § 105(b)
- IRC § 105(h)
- Treas. Reg. § 1.105-11
- IRC § 104(a)(3)

Substantiated § 213(d) reimbursements under a self-insured plan are excluded under § 105(b), subject to § 105(h) testing.

Source: 26 U.S.C. § 105, § 106, § 125, § 213, Treas. Reg. § 1.105-11, IRS CCA 201703013, 78 FR 33158

$0 preventive care. $20 visits. 3,000+ medications.

Preventive care, onsite visits, and medications in one defined schedule for every enrolled employee

PREVENTIVE, $0

Covered at no cost

- Annual preventive and wellness visits
- Preventive health screenings
- Blood pressure and cholesterol screenings
- Diabetes screenings for qualifying individuals
- Preventive cancer screenings
- Routine immunizations and vaccinations
- Well-woman and women's preventive services
- Well-child visits and pediatric preventive care
- Preventive counseling under ACA guidelines
- ACA preventive prescriptions at a $0 copay

VISITS

Onsite, phone, or video, unlimited

$20	Onsite primary care visit, unlimited
$50	Onsite specialist visit, unlimited
$0	Primary care by phone or video, unlimited
Included	Urgent care by phone or video, day or night

Onsite visits use the First Health network, 982,000+ providers and 5,300+ hospitals. Not in this schedule: onsite urgent care, lab and X-ray, CT and MRI.

MEDICATIONS

Priced by tier, not by surprise

10%	Generic prescriptions, coinsurance
20%	Brand prescriptions, coinsurance
3,000+	Medications in the SHIELD prescription program

ACA preventive prescriptions are $0. The program adds retail pickup, home delivery, and income-based assistance.

Source: 26 U.S.C. § 4980H, HealthCare.gov preventive services

SHIELD HEALTH 360 CARE

$0

Primary care by phone or video, unlimited

$20

Onsite primary care visit, unlimited

First Health network, 982,000+ providers and 5,300+ hospitals. Specialist visits $50.

Care for the whole family

Up to 8 family members at no additional cost

04 · WHAT EMPLOYEES GET

Primary care two ways. $0 by phone or video, $20 onsite.

Unlimited either way, plus nine service areas

- Primary & urgent care
- Mental health services
- Dental support
- Smoking cessation
- Health education
- Chronic disease management
- Prescriptions
- Weight management
- Insurance support

ONSITE VISITS RUN ON THE FIRST HEALTH NETWORK

982,000+	5,300+	55,000+	1.5M+
professional providers	hospitals	ancillary facilities	service locations

Urgent care by phone or video. Here is what it does.

A licensed provider in minutes, day or night, 365 days a year, for the whole household

INCLUDED WITH MEMBERSHIP

Minutes, not hours

Day or night
nights, weekends, holidays

365 days a year
every day, including holidays

Licensed providers
every visit, from the first request

Up to 8 family members
same access, no added cost

1 **Get seen in minutes**

Request a visit from home, work, or the road and connect with a licensed provider, no appointment and no waiting room.

2 **Get treated for everyday urgent needs**

Colds and flu, sinus and ear infections, sore throat, urinary tract infections, pink eye, rashes, allergies, stomach bugs, minor injuries.

3 **Get a prescription when it is appropriate**

The provider can send a prescription to a local pharmacy or the SHIELD prescription program. The prescription itself is priced by tier.

4 **Keep the day**

No drive, no time off, no in-person urgent care visit for something a phone or video visit can handle.

5 **Cover the household**

Up to 8 family members use the same access, so a sick child at 2 a.m. is a call, not an emergency room trip.

6 **Know the next step**

If in-person care is needed, Care Concierge helps schedule an onsite visit at $20 or $50. Emergencies still mean 911.

Mental health by phone or video. Here is what it does.

Licensed providers for stress, anxiety, low mood, and life changes, from home, for the whole household

INCLUDED WITH MEMBERSHIP

Help without the wait

By phone or video
from home, the car, or a quiet room

Licensed providers
every visit, from the first request

Private
no absence to explain, no referral to start

Up to 8 family members
same access, no added cost

1 Reach out on their own terms

Request support from home on their own schedule, instead of waiting weeks for an in-person appointment or explaining time away at work.

2 Talk through what is weighing on them

Stress, anxiety, low mood, burnout, grief, sleep trouble, life changes, and strain at home or at work, with a licensed provider.

3 Leave with a plan

An assessment, practical coping strategies, and a clear next step, with follow-up as the provider recommends.

4 Handle medication questions

If a licensed provider determines medication is appropriate, it is priced by tier through the SHIELD prescription program.

5 Cover the household

Up to 8 family members use the same access, so a spouse or a struggling teen has somewhere to start.

6 Know where to turn in a crisis

A crisis means 988 or the nearest emergency room. For ongoing or in-person care, Care Concierge helps connect to outside specialists.

CARE FOR THE WHOLE FAMILY

Up to 8

family members at no additional cost

One membership covers the household, so a sick child at 2 a.m. or a spouse's prescription question is handled the same way.

Care for the whole family, up to 8 members

The same care, extended to the household

What it is Membership extends to the employee's household, up to 8 family members, with no additional cost for the added members.

How employees use it Family members access the same care services, from urgent care day or night to primary care and mental health support.

Good to know Family members' prescriptions, labs, and treatment carry their own costs, the same as for the employee.

Prescriptions made simpler

The SHIELD prescription program, included with every membership

3,000

medication program

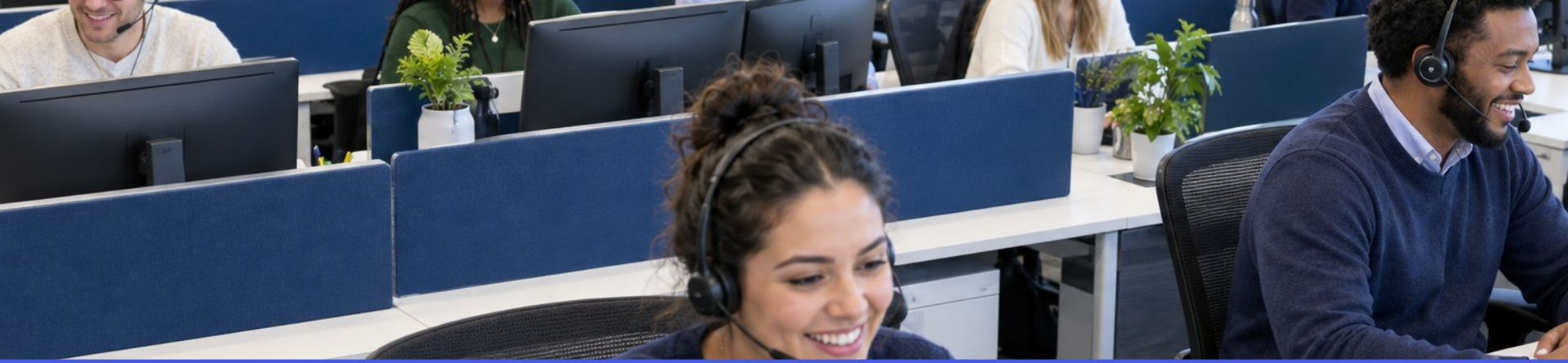
Employees search by medication name, dose, and quantity, then choose how to fill it. Insulins and diabetic supplies have their own section.

Common conditions covered

- Allergies & asthma
- Blood pressure & heart
- Cholesterol
- Diabetes
- Gastrointestinal
- Insomnia
- Men's health
- Mental health
- Pain & arthritis
- Thyroid
- Women's health

How employees fill prescriptions

- **Retail pharmacy pickup** — at a chosen pharmacy
- **Home delivery** — free standard shipping
- **International pharmacy** — name-brand medications
- **Prescription assistance** — income-based program



04 · WHAT EMPLOYEES GET

A real team that helps employees actually use their benefits

SHIELD Care Concierge, included in every program. Real people on the phone, ready to help.

1. **Find care** Finding participating First Health providers for onsite visits and navigating scheduling
2. **Understand it** Understanding benefits and care options
3. **Fill and connect** Prescription and care navigation
4. **Get answers** Questions about care, coverage, and next steps
5. **Stay supported** Ongoing guidance for as long as they are members

The programs employees ask about

SHIELD-branded access to optional programs, each following a clinical pathway

- **GLP-1 weight-management programs**
- **Peptide programs**
- **Hormone health**
- **Wellness and vitality**

THE CLINICAL PATHWAY

Consult and assess

Provider consultations and health assessments

Lab review

When appropriate

Recommend

Individualized treatment recommendations

Follow up

Clinical follow-up, progress tracking, and education in a branded member experience

GLP-1 WEIGHT MANAGEMENT

19%

of large employers cover GLP-1s for weight loss in their largest plan

16% of firms with 200 to 999 workers

43% of firms with 5,000 or more workers, up from 28% in 2024

Firms with 200 or more workers offering health benefits, 2025. Most employees asking about GLP-1s have no employer coverage for them.

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04 · WHAT EMPLOYEES GET

GLP-1 weight management, through a clinical pathway

The program employees ask about most, delivered by licensed providers

What it is Access to a provider-led GLP-1 weight-management program covering medications in the GLP-1 class, such as semaglutide and tirzepatide, prescribed only when clinically appropriate.

How employees use it Start with a provider consultation and health assessment, lab review when appropriate, then an individualized recommendation and ongoing follow-up with progress tracking and education.

Why it matters to you Employees are asking for these programs now, and most employer plans do not cover them. Offering structured access answers the question without adding a group premium.

Good to know Program access is included in membership. Medication, labs, and treatment costs are separate and depend on clinical evaluation, eligibility, and availability.

Source: KFF 2025 Employer Health Benefits Survey

A California paycheck, before and after

Single employee, monthly payroll, 2026 illustration

Monthly paycheck	Without SHIELD	With SHIELD
Gross wages	$3,293.33	$3,293.33
SHIELD pretax deduction	$0.00	−$1,295.00
Wages subject to payroll taxes	$3,293.33	$1,998.33
Federal income-tax withholding	−$213.53	−$65.67
California income-tax withholding	−$65.66	−$23.32
Social Security	−$204.19	−$123.90
Medicare	−$47.75	−$28.98
California State Disability Insurance	−$42.81	−$25.98
Total tax withholding	**−$573.94**	**−$267.85**
SHIELD 360 SIMERP reimbursement	$0.00	+$1,136.00
Take-home pay, including reimbursement	**$2,719.39**	**$2,866.48**

NET PAY INCREASE

+$147.09

more take-home pay each month

+$1,765.08

ANNUAL NET PAY INCREASE

$2,719.39 take-home without SHIELD

$2,866.48 take-home with SHIELD

Source: IRS 2026 withholding tables, California 2026 withholding tables, California SDI rate

The employer's FICA saving, gross and net

Per participating employee per month, then scaled to your headcount

1. **Participating employees × $99.07**
   gross FICA saving per month, before program fees

2. **Participating employees × $20.00**
   SFC Fund per month

3. **$99.07 − $20.00 = $79.07 net per month**
   per employee; × 12 = $948.84 per year

Example, 50 participating employees

50 × $99.07 = $4,953.50 gross. SFC Fund 50 × $20 = $1,000.

Net ≈$3,954 per month, ≈$47,442 per year.

Employees	Gross per month	Net per month	Net per year
10	≈$991	≈$791	≈$9,488
25	≈$2,477	≈$1,977	≈$23,721
50	≈$4,954	≈$3,954	≈$47,442
75	≈$7,430	≈$5,930	≈$71,163
100	≈$9,907	≈$7,907	≈$94,884
150	≈$14,861	≈$11,861	≈$142,326
200	≈$19,814	≈$15,814	≈$189,768
250	≈$24,768	≈$19,768	≈$237,210
300	≈$29,721	≈$23,721	≈$284,652
500	≈$49,535	≈$39,535	≈$474,420

Illustration only: $1,295 modeled reduction, 7.65% employer FICA, $20.00 SFC Fund, full participation for a full year. Net assumes the full SFC is used; unused SFC returns to the employer at plan year end. Rounded; actual wages, eligibility, participation, and wage limits vary.

A raise they can feel. Care they will actually use.

Employees take home more and get care sooner. You pay less payroll tax. It happens on the same paycheck.

26%

of U.S. adults went without some form of medical care in 2025 because they could not afford it

15%	skipped seeing a provider or specialist
9%	skipped prescription medicine
38%	of adults with family income under $25,000 went without some care

What this puts to work for your business

1 A raise without a raise

Employees see more take-home pay, $147.09 a month in the illustration, while your payroll tax goes down. No budget line moves up.

2 A team that gets care sooner

With $0 primary care by phone or video and $20 onsite visits, small problems get handled before they become sick days.

3 A benefit that recruits and keeps

Money in the paycheck and a licensed provider in their pocket is a benefit most small employers cannot offer. You can.

4 Fewer money worries at work

Financial stress follows people to work. More room for groceries, gas, and childcare each month follows them too.

You lower payroll tax. They take home more and get care sooner. Same paycheck, same month.

Source: Federal Reserve, Economic Well-Being of U.S. Households in 2025 (May 2026)

Your roadmap from first call to enrollment

Six steps. SHIELD does the heavy lifting; your team sends a census and makes an announcement.

1

TOGETHER

First call

We review your current benefits and payroll setup and answer the questions in this deck.

2

YOU

Census

You send your employee census and current payroll deduction summary.

3

SHIELD

Your numbers

We build an employer-specific model, employee by employee, and review it with you on the next steps call.

4

SHIELD

Agreement and setup

Plan documents prepared, payroll entries configured with your payroll provider, enrollment calendar set.

5

TOGETHER

Enrollment

SHIELD runs onsite or online sessions and employees elect. Your team announces it.

6

SHIELD

First payroll

The two payroll entries begin, member access activates, and Care Concierge and outreach start.

SHIELD handles Together Your team

Timing depends on your payroll calendar and enrollment window; we set both dates with you on the next steps call.

ENROLLMENT SUPPORT, INCLUDED

Every employee, reached more than once

Channels

- Live enrollment sessions, onsite or online
- Employee benefit guide
- Email and text outreach
- Call outreach to employees who have not enrolled
- Support line for questions

We run enrollment. Your team announces it.

How employees learn about the program and sign up

1. **Announce** Your team introduces the program. We supply the announcement and the schedule.
2. **Educate** Live sessions walk employees through the benefits and the paycheck illustration, with time for questions.
3. **Enroll** Employees complete enrollment during the window, with help available for anyone who needs it.
4. **Remind and support** Email, text, and calls follow up with employees who have not enrolled. Questions go to the support line.

Simple enough that employees actually use it

Six steps from enrollment to care, with a support team at every one. Step three is the one they feel.

1	2	3	4	5	6
Enroll	**Activate**	**See a provider**	**Fill a prescription**	**Get support**	**Hear from a provider**
Chooses the program during the enrollment window. Payroll adjusts from the next cycle.	Receives member access, the benefit guide, and Care Concierge contact details.	$0 primary care by phone or video. $20 onsite with First Health network providers nationwide. Unlimited.	Searches the SHIELD prescription program by medication and dose, then picks pickup or delivery.	Care Concierge answers questions and explains the next step, for as long as they are a member.	Provider-Driven Care Outreach follows up based on the provider's review of their risks.

Next steps: your census, then your numbers

Send us your census and current payroll deduction summary. We come back on a next steps call with your own figures, employee by employee.

1 Send your census

Employee census, payroll data, and your current benefit configuration. We send the short checklist today.

2 We build your model

Employer-specific illustration: employee take-home effect, gross FICA opportunity, net figures after program fees, and a proposed enrollment plan.

3 Next steps call

We walk through your numbers together and agree on how to proceed. Nothing is committed before that call.

Two dates before we hang up: census sent, call booked

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APPENDIX A

Sources and references

External figures and legal references cited in this presentation

Slide	Topic	Source
2	Employer-sponsored insurance premiums and contributions, 2025	KFF 2025 Employer Health Benefits Survey
2	Small-group premium rate filings, 2026	KFF: premiums for small businesses in 2026
2	Small-group premium rate filings, 2027	KFF: premiums for small businesses in 2027
3	Employer offer rates by firm size, 2025	KFF 2025 Employer Health Benefits Survey
3	Employer-sponsored insurance overview	KFF Employer-Sponsored Health Insurance 101
7	Internal Revenue Code Section 105	26 U.S.C. § 105 (Cornell LII)
7	Internal Revenue Code Section 106	26 U.S.C. § 106 (Cornell LII)
7	Internal Revenue Code Section 125	26 U.S.C. § 125 (Cornell LII)
8	Fringe-benefit and cafeteria-plan tax treatment	IRS Publication 15-B
9	Definition of medical care	26 U.S.C. § 213 (Cornell LII)
9	Self-insured medical reimbursement plan regulations	26 CFR § 1.105-11 (Cornell LII)
9	Wellness program coverage and section 106(a)	IRS Chief Counsel Advice 201703013
9	ACA and HIPAA wellness program final rule, 2013	78 FR 33158 (govinfo)
10	ACA employer shared responsibility, offer requirement	26 U.S.C. § 4980H (Cornell LII)
10	ACA preventive services	HealthCare.gov preventive health services
10	First Health network size (providers, hospitals, ancillary facilities)	First Health Network FAQs (OneShare Health)
16	SHIELD Care Concierge	shieldhealth360.com/care-concierge
16	First Health provider search	providerlocator.firsthealth.com
18	GLP-1 coverage for weight loss among large firms, 2025	KFF 2025 Employer Health Benefits Survey
19	Federal income-tax withholding, 2026	IRS Publication 15-T
19	California income-tax withholding, 2026	California EDD Method B tables
19	California State Disability Insurance rate	California EDD rates and withholding
21	Adults who went without medical care because of cost, 2025	Federal Reserve, Economic Well-Being of U.S. Households in 2025

APPENDIX B

Key terms and qualifications

Consolidated from the slide-level qualifications in this presentation

TERMS

SIMERP Self-Insured Medical Expense Reimbursement Plan

MEC Minimum Essential Coverage under the ACA

First Health network National provider network used for onsite visits under the MEC schedule; participation varies by provider and location

FICA Social Security and Medicare payroll taxes; employer share 7.65%

CPT code Standard code describing a clinical service

Sections 125, 105(b), 106, 213(d) Code provisions covering elections, reimbursements, coverage, and the definition of medical care

QUALIFICATIONS

- All paycheck, take-home, and FICA figures are illustrations under stated assumptions, not guaranteed results.
- Employer FICA figures are gross and net of the $20.00 SFC Fund, assuming the full amount is used; unused SFC returns to the employer at plan year end. Net depends on eligibility, participation, and wage limits.
- The pretax contribution and the medical-expense reimbursement are separate transactions with separate tax requirements.
- Essential Plus MEC is not comprehensive major medical coverage; benefits depend on plan terms, networks, and formularies.
- Program access does not include the cost of prescriptions, laboratory work, or treatment unless the schedule states otherwise.
- Outreach events, communications, CPT codes, and service values do not by themselves establish a reimbursable expense.
- Employers should review the structure with independent tax and benefits counsel.

APPENDIX C

What employers want to know

Straight answers to the questions that come up most

Who handles enrollment and onboarding?

We do. SHIELD Health 360 runs the sessions, follow-up, member activation, and payroll coordination. You share eligibility and payroll data.

Will this affect the benefits we already offer?

It sits on top of them. Everything your employees have today stays in place; this adds access and savings alongside it.

How do we know what it costs us?

The SFC Fund is $20 per participating employee per month, offset by the FICA saving. It funds only each employee's self-funded MEC coverage; unused money is refunded in cash at plan year end.

Where does the employer saving come from?

Pre-tax contributions lower taxable wages, and 7.65% of that is FICA you no longer pay: about $99.07 gross, about $79.07 net of the SFC Fund.

How does an employee take home more?

The contribution is pre-tax and substantiated reimbursements are excluded from income. In the California illustration, take-home rises $147.09 a month.

Who delivers the care?

Licensed providers. Primary care by phone or video at a $0 copay, urgent care by phone or video day or night, every day, with Care Concierge to help.

What do employees pay when they use it?

$0 for primary care by phone or video, $20 for an onsite primary care visit, $50 for a specialist. Prescriptions, labs, and treatment are priced separately.

How is the structure supported?

It is built on Sections 125, 105, 106, and 213(d), with written plan documents and testing, and we welcome review by your own counsel.