

This Is Not a Compliance Cost. It's a Financial Lever.

For about **\$18 per employee per year**, Aevitas delivers plan savings, penalty protection, and a monthly proof-of-value report – all in one engagement. The numbers are straightforward. The opportunity is significant. And the window to act is now.

The Aevitas Value Proposition – By the Numbers

Aevitas is purpose-built to help mid-to-large employers unlock a financial opportunity that already exists inside their benefits plan. The lever is Medicare transition – and the compliance guardrails are what make it sustainable, defensible, and scalable. Below is the complete financial case, structured for benefits decision-makers, HR leaders, and their broker partners.

\$18k+

Min. Savings Per Transition

Every eligible employee who moves to Medicare removes the national average employer benefit cost – plus claims and reinsurance impact.

\$180k+

Year-One Optimization Savings

Based on 1,000 employees, ~20% eligible, ~10% transitioning in year one. 10 transitions × \$18k = \$180k minimum.

\$250k+

Penalty Exposure Reduced

MSP, COBRA, Section 111, fiduciary – documented compliance eliminates exposure that CMS is now actively auditing.

2,300%

ROI on an \$18k Investment

\$18k annual cost. \$430k+ in combined savings and penalty exposure reduction. The math is straightforward.

"The only legal path to reducing this cost is education. Employers who try to incentivize transitions expose themselves to \$11,524+ per violation. We exist because the compliant way – done right – is also the most effective way."



Why This Works

The national average employer cost per covered employee exceeds \$18,000 annually. When a Medicare-eligible employee transitions off the group plan — voluntarily, compliantly, and with full education — that cost disappears. No claims. No reinsurance drag. No administrative overhead tied to that member.

At scale, even modest transition rates produce outsized financial results. A workforce of 1,000 employees with 20% Medicare-eligible and a conservative 10% year-one transition rate yields a minimum of \$180,000 in direct plan savings — before accounting for claims reduction or reinsurance impact.

What's Included at \$18/Employee/Year

- Medicare education and enrollment guidance for all eligible employees
- MSP, COBRA, and Section 111 compliance documentation
- Fiduciary risk mitigation and audit readiness
- Monthly proof-of-value reporting for plan sponsors
- Broker and HR partner support throughout the engagement

✔ Every deliverable is designed to be audit-ready. CMS is actively auditing employers — documentation is no longer optional.

The Full Financial Picture

The Aevitas engagement generates value across two distinct — and compounding — dimensions: **direct plan savings** through Medicare transitions, and **penalty exposure reduction** through documented compliance. Together, these two streams produce a combined value that dwarfs the program cost by a factor of more than 23.

Stream 1: Direct Plan Savings

Each compliant Medicare transition removes a high-cost member from the group plan. At \$18,000+ per employee in annual benefit cost, even a handful of transitions in year one produces six-figure savings. The savings compound annually as additional eligible employees are educated and transition in subsequent years — creating a self-reinforcing return on the program investment.

Stream 2: Penalty Exposure Elimination

Undocumented MSP violations, improper COBRA handling, Section 111 reporting failures, and fiduciary breaches carry penalties starting at \$11,524 per violation — per employee, per occurrence. For a 1,000-person employer with 200 Medicare-eligible employees, unmanaged exposure can exceed \$250,000. Aevitas eliminates that exposure with documented, audit-ready compliance processes.

Stream 3: Monthly Proof of Value

Every employer receives a monthly report that quantifies the value delivered — transitions completed, savings attributable, compliance actions taken, and penalty exposure addressed. This is not a black-box service. It is a transparent, measurable engagement with documented ROI that HR and finance leaders can present to the C-suite and board with confidence.

"Employers who try to incentivize Medicare transitions expose themselves to \$11,524+ per violation. The compliant path — done right — is also the most effective path. That is the Aevitas model."

📌 **Ready to share this with your clients?** Use this document to walk benefits decision-makers and HR/finance leaders through the financial case. Capture their information for follow-up and let Aevitas handle the rest — compliantly, transparently, and with measurable results every month.