EXHIBIT 5
DATE 3-11-05
SB 154

ALLEGIANCE
BENEFIT PLAN MANAGEMENT, INC.

INTERMOUNTAIN ADMINISTRATORS INCORPORATED

Self-funding puts you in control of your benefits plan and its costs.

Why Self-Fund?

Self-funding of employee benefit plans is best described as "self-insurance," and there are three good reasons to do it: lower cost, greater control, and more flexibility. That's why more than 75 percent of all U.S. employers have now turned to some form of self-funding.

Traditionally, an employer pays an insurance carrier to provide benefits and pay claims for its employees. Benefits are confined to that particular carrier's products, giving an employer little flexibility to offer a plan tailored for its own employees. The employer also has limited ability to control rising insurance premiums. And if there is any profit left over - the difference between premiums paid and claims covered - the insurance company keeps it.

How Self-Funding Works

A self-funded employer takes the money that would have gone to an insurance carrier and invests it instead in a trust fund to finance the cost of its employee benefits plan. The amount of money set aside is based on a professionally calculated risk analysis that helps determine the projected level of claims. The employer also purchases stop-loss insurance to protect the plan from both an individual catastrophic claim as well as aggregate claims that exceed a pre-designated level. Any money left over in the fund remains there, earning a return to help pay for future claims.

In a self-funded plan, the employer can decide which benefits to offer and custom design a plan best suited for its employees. In addition, self-funded plans are regulated by the federal ERISA statute, eliminating many expensive and duplicative state-mandated benefits.

The Role of Third-Party Administrators

To manage a self-funded plan, an employer hires a professional third-party administrator like Allegiance. Our role is to design a benefits plan unique to each employer and its workforce. We help prepare the Plan Document, the Summary Plan Descriptions, Administrative Forms and ID Cards. We also help communicate the benefits plan to employees. We manage the entire benefits process, from employee enrollment to claims payment. Our state-of-the-art technology platform integrates paperless claims processing with accounting, group billing and administration, and management reporting.

Along with the most advanced technology, we offer a professional and caring staff who are among the most experienced and well-trained in the industry. This allows us to deliver innovative solutions to employers and world-class customer service to their employees.

Summary

As healthcare prices skyrocket, businesses and government agencies find it increasingly difficult to maintain their current employee benefit plans. It's reassuring to know that with self-funding, there is an alternative to rising insurance premiums and decreasing health benefits. Allegiance works with employers to find a balance between cost control and employee satisfaction by designing self-funded benefit plans. Self-funding is a way for employers to take control of their health benefits while maintaining the sound underwriting principles that are a necessary part of traditional insured plans.