



**PTE
Group Inc.**

PAYROLL TAX REDUCTION PLAN

Insurance Company Backed Tax
Advantaged Wellness Program

Presented By:

PTE Group Inc.

<https://ptegroupinc.com>



Quick Summary

01

\$700 - \$1,000+ Increased Profits/Savings
per Employee per Year

02

Zero Disruption
to Existing Benefit Plans

03

Fully Automated
Payroll Integration – Minimal HR & Payroll
Staff Burden

04

No Net Cost to Employer or Employee

05

Trusted by Industry Leaders



Disclaimer:

The information provided in this presentation is for general informational purposes only and does not constitute legal, tax, accounting, financial, or medical advice. PTE Group, Inc., its affiliates, partners, service providers, insurance carriers, and all companies associated with this program do not provide such advice, and no statement herein should be relied upon as a substitute for consultation with qualified professionals. Before enrolling in or implementing the Plan, consult with your own legal, tax, financial, accounting, and healthcare advisors.

Payroll Tax Reduction Plan

Employer Benefits



Increase profits/savings \$700 - \$1,000 annually

through payroll tax
reduction (net of fees)



Significant valuation increase

for both public and private
companies



Enhanced benefits package

attracts talent, reduces
turnover



Zero disruption

to existing health,
retirement or benefit
plans



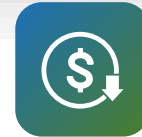
Fully automated

minimal ongoing HR and
Payroll staff work.



Proven with industry leaders

PrismHR, Sun Holdings,
Insperity, Cedar Lake (KY)



No Net Cost

to employer or employees,
now or ever



Full third-party administrative (TPA)

support for employees
(Email & 800 #)

What Is The No Net Cost Payroll Tax Reduction Plan

Increase Employer Profits & Employee Pay and Benefits



Pre-Tax Insurance Premium Deduction

reduces employees' taxable income – IRS Section 125 "Cafeteria" Plan



Post-Tax Wellness Claim Payment

Fixed indemnity, tax free, wellness claim payment



Employers pay less

in payroll taxes while employees increase their take-home pay and receive a comprehensive package of insurance and healthcare benefits



Zero changes

to your existing health or benefit plans, now or ever



NO NET COST

to the employer or employees, now or ever!

Why Congress Included Health & Wellness in the Affordable Care Act (ACA)

Goal: Reduce Long-Term Federal Healthcare Spending

The Congressional Strategy:

Congress expanded wellness programs to cut healthcare costs through prevention, creating the legal framework that makes our program possible.

Key ACA Impact:

- **Preventive Care Expansion** – Made wellness services more accessible and standardized
- **Medical Code Standardization** – Created uniform billing codes for wellness activities
- **Tax-Advantaged Framework** – Established the foundation for tax-advantaged wellness programs
- **Insurance Coverage Mandate** – Required coverage for preventive health services

The Company Advantage:

This regulatory foundation allows us to leverage established healthcare billing codes and insurance structures to deliver compliant, tax-free wellness benefits – turning ACA compliance into profit..

Bottom Line

This isn't a workaround – it's using the system Congress designed to incentivize workplace wellness..



Explanation of Employer Net Savings

Monthly Pre-Tax Premium per Employee	:	\$1,560.00*
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Multiplied by 7.65% Employer FICA percentage	:	\$119.34
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Third Party Administrative Fee (TPA)	:	-\$20.00
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Net Savings to Employer per Month	:	\$99.34
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Net Savings to Employer per Year (x12)	:	\$1,192.08
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* Five premium levels are adjusted so there is never a negative to an employee's paycheck.

Third Party Administrative (TPA) Fees are Important

Payroll Tax Reduction

TPA FEE IS ONLY \$20

per employee per month (PEPM)

- **\$35 to \$45/PEPM** is Typical Industry TPA fee
- **\$80/PEPM** is the Highest
- **\$20 vs. \$35** is a \$180 increase per Employee per Year

Questions to Ask Competitors

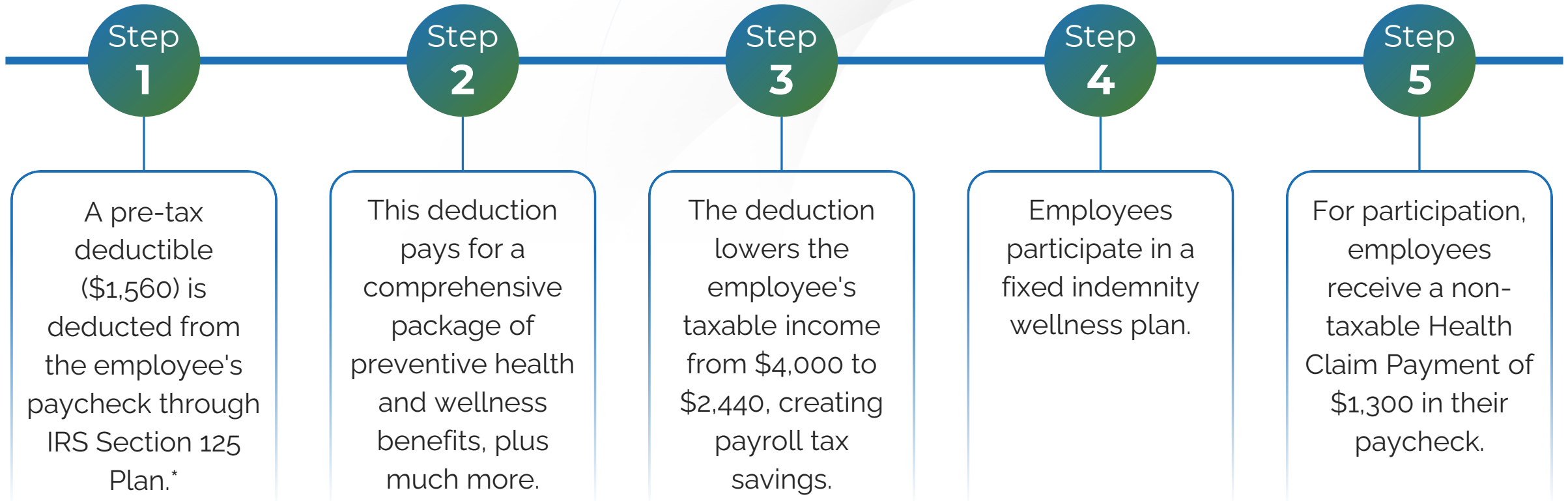
"What is your TPA fee per employee per month, and what does it include?"

Why Our Low TPA Fee Matters

- **More money stays in the employer's pocket**
not going to administrative overhead
- **Maximizes your ROI**
highest net savings in the industry
- **No hidden fees**
transparent, all-inclusive pricing
- **Scales with growth**
savings multiply as you add employees
- **Proven at scale**
major companies trust our low-cost model
- **Assures inclusion of entry level to highly compensated employees**

How a Qualified Payroll Tax Reduction Plan Works

Example = Employee Earning \$4,000 / Month



Monthly Paycheck Example

\$4,000 Monthly Salary

	BEFORE Tax Reduction Program	AFTER Tax Reduction Program	Difference
Gross Income	\$4,000	\$4,000	
Pre-Tax Premium	\$0	\$1,560**	
Taxable Income	\$4,000	\$2,440	-\$1,560
Tax Withholding	\$820*	\$464*	-\$356
After-Tax Premium	\$0	\$42	+42
Wellness Payment	\$0	\$1,300**	+920
Take-Home Pay	\$3,179	\$3,243	+64

The \$1560 Insurance Premium payments are deductible from Gross Wages just like a Group Health Plan premium

Employers pay FICA taxes on \$2,440, rather than \$4,000

A \$42 after-tax premium is paid, making the \$1300 wellness medical claim payment for participation in the wellness program tax free.

INCREASING THE EMPLOYEE'S TAKE-HOME PAY

*Example uses a single employee in a no state income tax state, e.g., Florida, with no deductions or allowances.

**Premium and Claim payments are adjusted to ensure a positive impact on every employees' take-home pay.

Plan Benefits

Comprehensive Benefits That Employees Actually Use
Reducing healthcare costs while improving lives inside and outside the workplace

Plan Options	Plan 1560	Plan 1410	Plan 1260	Plan 1100	Plan 960
Monthly Pre-Tax Premium	\$1,560	\$1,410	\$1,260	\$1,100	\$960
Monthly After-Tax Premium	\$42	\$38	\$33	\$30	\$25
Wellness Benefits	\$1,300	\$1,200	\$1100	\$1000	\$910
Hospital Initial Confinement	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Accident Coverage	\$5,000	\$5,000	\$5,000	\$5,000	\$0
Critical Illness	\$10,000	\$10,000	\$0	\$0	\$0
Guaranteed Term Life Insurance to age 64	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Accidental Death Insurance	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Rx - 1,100 Acute & Chronic Medications <i>Employee, Spouse and Dependents</i>	Included	Included	Included	Included	Included
Discounts on Dental, Vision, Chiropractic Services: <i>Employee, Spouse and Dependents</i>	Included	Included	Included	Included	Included
Concierge-style Virtual Health Benefits Health: <i>Employee, Spouse and Dependents</i>	Included	Included	Included	Included	Included

Employee Premiums, Medical Claim Payment by Plan and Employer Annual Savings

Plan Options	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5
Monthly Pre-Tax Premium	\$1,560	\$1,410	\$1,260	\$1,100	\$960
Employer FICA Tax Savings (7.65%)	\$119.34	\$107.87	\$96.39	\$84.15	\$73.44
Monthly Administrative Fee	\$20	\$20	\$20	\$20	\$20
Monthly Employer Savings	\$99.34	\$87.87	\$76.39	\$64.15	\$53.44
Annual Employer Savings	\$1,192	\$1,054	\$917	\$770	\$641

Telemedicine

“Virtual Primary Care, Urgent Care and Behavioral Health”



Skip the waiting room

connect with board-certified physicians instantly (You and Your Dependents)



Schedule doctor consultations

when it's most convenient for you



Available 24/7

from anywhere in the United States



Same-day prescriptions

sent to your preferred pharmacy



No copays, no deductibles

for telemedicine visits



Avoid waiting in urgent care

centers and emergency rooms

We treat common and behavioral medical conditions including:



Physical:

Eye Infection, Fever, Headache, Insect Bites, Nausea/Vomiting, Pink Eye, Allergies, Cold/Flu, Constipation, Cough, Diarrhea, and much more.



Mental:

Substance Abuse, Depression, Stress and Anxiety, Bipolar Disorder, Addiction, Trauma and PTSD, Abrasions,

“ **Zero impact on your existing health plans,** this supplements, never replaces ”

Early Disease Detection & Prevention

Catch health issues before they become expensive problems

What You Get



Comprehensive blood test –
55 critical health biomarkers



AI-powered analysis
developed by Harvard Medical School & MIT



Personalized health report
identifying risks before symptoms appear



Non-prescription action plan
to improve your health naturally

Why This Matters



Early detection
can prevent serious health issues



Personalized insights
guide lifestyle improvements

The Bottom Line

"Knowledge is power - especially when it comes to your health"

Easy Mobile App

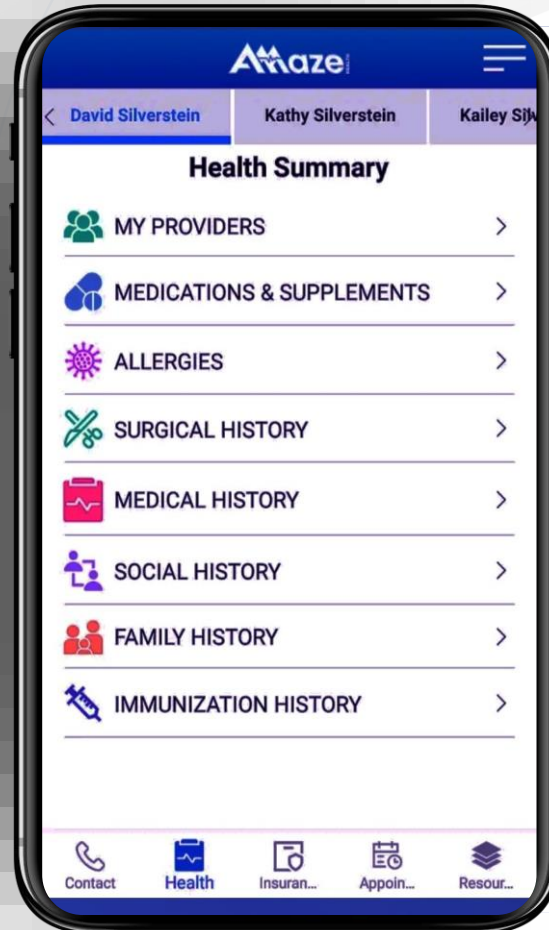
Everything You Need is in Your Hand

Benefits

View and Manage
All Your benefits Anywhere

Wellness Library

Health Information &
Educational Resources



24/7 Telemedicine

Instant Access to with
Licensed Physicians

Prescription Management

Order Medications with 1
Click



Complete Regulatory Protection

Every Major Employment and Healthcare Law Addressed

- Employee Retirement Income Security Act (ERISA)
- Americans with Disabilities Act (ADA)
- Equal Employment Opportunity Commission
- Genetic Information Nondiscrimination Act (GINA)
- Health Insurance Portability and Accountability Act (HIPAA)
- Affordable Care Act (ACA)
- Auto Enroll (DOL) Department of Labor
- Plan Designed Section 125
- IRS Code, Chief Counsel Advices, and Revenue Rulings
- Medical: IRS §213(d)ACA
- Pre-Tax: IRS Section 213(d), 106(a) and 125
- Post-Tax: IRS 213(d) and IRS 105 (b)
- Reimbursement Plans as defined under 1.105.11(i)



Social Security and the Wage Base Limit for 2026

Impact on High Income Wage Earners (Above \$184,500)

Wage Level	Social Security Tax Savings	Medicare Tax Savings	Total FICA Savings	Standard TPA fee of \$420 (\$35 month)	With PTE TPA fee of \$240 (\$20 month)	Net FICA Tax Savings
Below Wage Base Limit (Gross wages up to \$184,500)	6.2% of reduced wages (based on \$18,000/year premium = \$1,116)	1.45% of taxable income, or \$261/year on \$18,000 premium	\$1,377	(\$420)	(\$240)	\$967 or \$1,137
Approaching Wage Base Limit (Gross Wages Between \$184,501 and \$202,500)	Only amount brought below \$176,100 saves 6.2%	1.45% of taxable income, or \$261/year on \$18,000 premium	Partial 6.2%, full 1.45%			Up to \$967 or \$1,137
Above Wage Base Limit (Gross Wages above \$202,500)	No Social Security savings (already maxed out)	1.45% of taxable income, or \$261/year on \$18,000 premium	\$261	(\$420)	(\$240)	(\$159) or \$21

We Do Nearly All the Work!

With: Minimal Administrative Burden on Your Team



Implementation:

We work directly with your Human Resources and Payroll departments to ensure a seamless implementation of our Payroll Tax Reduction Plan.



Enrollment:

Our enrollment team will educate your employees on their new benefits, how and where to access them and how the plan will result in a net increase in take-home pay.



Administration:

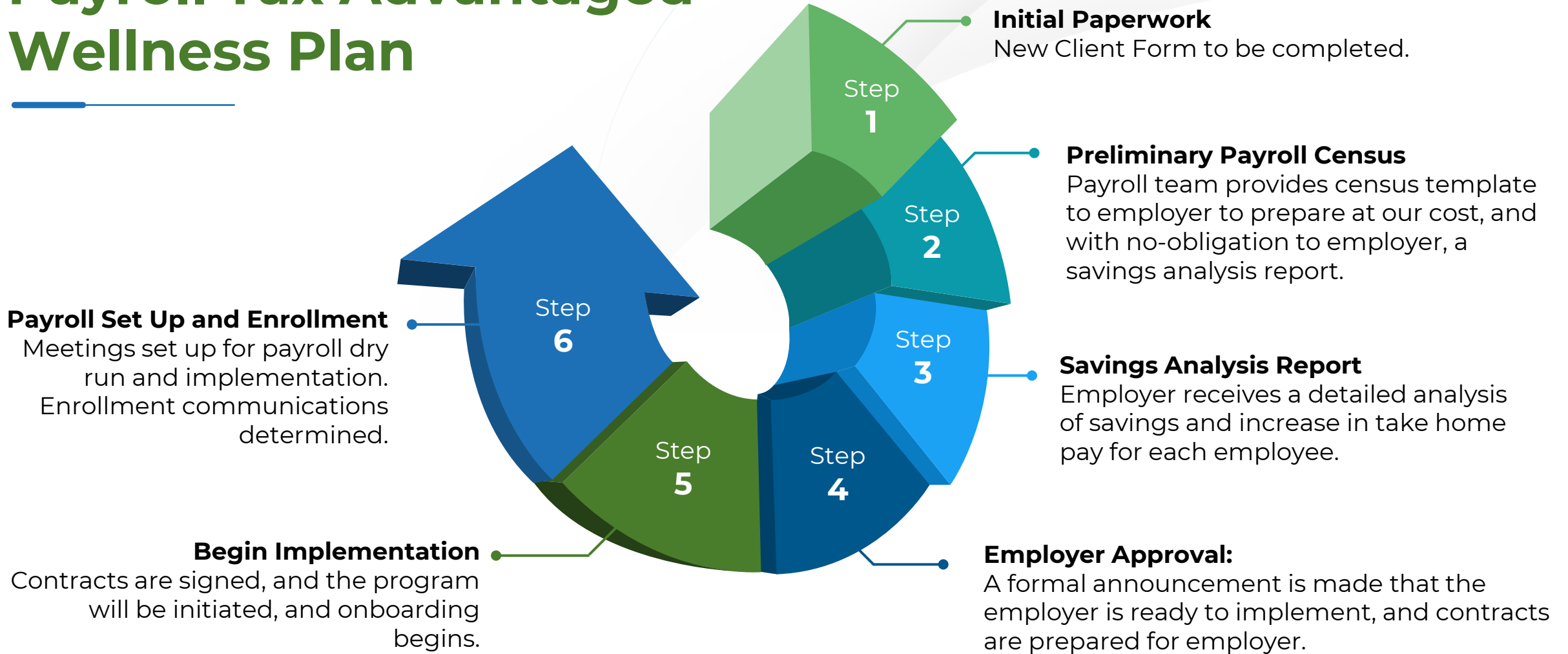
Our staff handles adding new employees, billing issues, questions and claims inquiries from employees via a toll-free number.



Payroll Reporting:

Our payroll software interfaces with all the major payroll programs. In addition, we generate a payroll report every pay period.

Six Stages to Begin Payroll Tax Advantaged Wellness Plan



Increased Profit Calculator – 418 Employees

Number of Employees Earning Less than \$11,800 per year : 15

Number of Employees Earning between \$12,000 and \$25,000 per year : 175

Number of Employees Earning between \$25,001 and \$176,100 per year : 225

Number of Employees Earning \$184,500 or more per year : 3

Your Potential Annual Savings (418 Employees) : \$351,138

How many employees do you have?

Worker's Compensation Insurance Savings

The National Council on Compensation Insurance (NCCI) defines the standard workers' comp rules in many states, and under NCCI guidelines, Section 125 contributions can be excluded if clearly documented and administered properly. Employers in the following states can reduce workers' compensation premiums by implementing Section 125 plans, as these contributions are included in premium calculations.

- Alabama
- Alaska
- Arizona
- Arkansas
- California
- Colorado
- Florida
- Georgia
- Illinois
- Indiana
- Iowa
- Kansas
- Kentucky
- Louisiana
- Maryland
- Massachusetts
- Michigan
- Minnesota
- Mississippi
- Missouri
- Nebraska
- Nevada
- New Mexico
- North Carolina
- Ohio
- Oklahoma
- South Carolina
- Tennessee
- Texas
- Utah
- Virginia
- Washington
- Wisconsin

States Where Section 125 Contributions Are Typically Not Excluded

- Massachusetts
- New Jersey
- New York
- Pennsylvania
- Rhode Island

States Where It Varies (Check with Carrier or State Fund):

- Alaska
- Connecticut
- Delaware
- Hawaii
- North Dakota
- Ohio

Unemployment Insurance Taxes

Employer Payroll Tax Savings Opportunities Sample of States Where Additional Savings May Be Available Confirm on a State-by-State Level Savings

STATE	TAXABLE WAGE BASE	EMPLOYER TAX RATE
Washington	\$72,800	1.25% 8.15%
Oregon	\$54,300	0.9% 5.4%
Hawaii	\$62,000	2.4% - 6.6%
Alaska	\$51,700	1.0% -5.4%
New Jersey	\$43,300	0.6% -6.4%
Minnesota	\$43,000	0.1% 9.4%

Contact Us

David Tedder



949-610-5716



David@PTEGroupInc.com

Lou Elwell



732-829-7703



Lou@PTEGroupInc.com

Larry Pearlman



818-298-6179



Larry@PTEGroupInc.com



**PTE
Group Inc.**

A detailed black and white line drawing of the New York City skyline, featuring numerous skyscrapers and buildings. The drawing is positioned in the background, behind the PTE Group Inc. logo and the 'THANK YOU' text box.

THANK YOU