

# Stop-Loss Definitions

**Purpose:** The reinsurance is a product meant to provide coverage for open-ended exposure on a self-funded medical plan

**Specific Deductible:** The specific deductible is the amount a member would have in claims prior to the reinsurance paying. Once the deductible is met, the reinsurance carrier will pay all remaining medical and pharmacy costs for the **contract** year on the stated member

**Aggregating-Specific Deductible:** The first claim in the contract year has an additional deductible on top of the specific. Once met, all future members would be tied to only the specific deductible in the contract year



# Stop-Loss History



	Premium	Claims	Benefit
07/01/2013	\$554,961	\$601,535	
07/01/2014	\$595,672	\$331,093	
07/01/2015	\$287,667	\$0	\$250k w/ \$115k Agg/Spec
01/01/2016	\$446,992	\$46,982	\$300k w/ \$115k Agg/Spec
01/01/2017	\$545,484	\$0	\$300k w/ \$115k Agg/Spec
01/01/2018	\$530,886	\$0	\$300k w/ \$115k Agg/Spec
01/01/2019 – Present	\$527,636	\$463,733.57 (4 claims)	\$300k w/ \$115k Agg/Spec

# Stop-Loss Marketing

The initial renewal from the insurance carrier came in at 38.14%. We submitted requests to the following markets:

Optum	Garden State Life Insurance
Creative UW	Great Midwest
MD Underwriting	HCC Life
ISU	PartnerRe
HIIG	ReliaStar Life
IOA	United States Fire
Berkshire Hathaway Specialty	Westport Ins
HM Life	One Beacon

		CURRENT	RENEWAL	Revised RENEWAL	OPTION	OPTION	OPTION
		PartnerRe America Ins Co	PartnerRe America Ins Co	PartnerRe America Ins Co	PartnerRe America Ins Co	PartnerRe America Ins Co	PartnerRe America Ins Co
	CARRIER:						
	AM Best Rating:	A+	A+	A+	A+	A+	A+
Specific Stop Loss:							
	Covered Benefits:	Medical & Rx Card	Medical & Rx Card	Medical & Rx Card	Medical & Rx Card	Medical & Rx Card	Medical & Rx Card
	Individual Deductible:	\$300,000.00	\$300,000.00	\$300,000.00	\$325,000.00	\$350,000.00	\$400,000.00
	Aggregating Specific Corridor:	\$115,000.00	\$115,000.00	\$115,000.00	\$115,000.00	\$115,000.00	\$115,000.00
	Annual Max Reimbursement :	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
	Lifetime Max Reimbursement :	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
	Contract Basis:	24/12	24/12	24/12	24/12	24/12	24/12
	Rates:						
	Single:	\$13.73	\$20.26	\$19.39	\$17.74	\$14.02	\$11.35
	Family:	\$36.73	\$49.64	\$47.51	\$43.47	\$34.35	\$27.80
	Estimated Annual Premium*:	\$513,478	\$709,274	\$678,834	\$621,099	\$490,809	\$397,250
% Change from Current Estimated Fixed Cost:			38.13%	32.20%	20.96%	-4.41%	-22.64%

		CURRENT	Revised RENEWAL	OPTION	OPTION	OPTION	OPTION
	CARRIER:	PartnerRe America Ins Co	PartnerRe America Ins Co	United States Fire Insurance Company	United States Fire Insurance Company	United States Fire Insurance Company	United States Fire Insurance Company
Specific Stop Loss:	AM Best Rating:	A+	A+	A	A	A	A
	Covered Benefits:	Medical & Rx Card	Medical & Rx Card	Medical & Rx Card	Medical & Rx Card	Medical & Rx Card	Medical & Rx Card
	Individual Deductible:	\$300,000.00	\$300,000.00	\$300,000.00	\$325,000.00	\$350,000.00	\$400,000.00
	Aggregating Specific Corridor:	\$115,000.00	\$115,000.00	\$115,000.00	\$115,000.00	\$115,000.00	\$115,000.00
	Annual Max Reimbursement:	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
	Lifetime Max Reimbursement:	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Rates:	Contract Basis:	24/12	24/12	24/12	24/12	24/12	24/12
	Single:	\$13.73	\$19.39	\$15.53	\$13.95	\$12.67	\$11.23
	Family:	\$36.73	\$47.51	\$45.36	\$40.13	\$35.70	\$30.16
	Estimated Annual Premium*:	\$513,478	\$678,834	\$621,307	\$551,563	\$493,012	\$421,234
% Change from Current Estimated Fixed Cost:			32.20%	21%	7.42%	-3.99%	-17.96%

# Stop-Loss Recommendations

- All contracts have a 12/12 provision on a high claimant
  - Stating that this particular individual's claims incurred in 2020 and paid in 2020 will be covered on this policy. Any claims incurred in 2019, but paid in 2020 will not be covered.
  - US Fire has added a \$500,000 Laser to the high Claimant
- Move to a \$350,000 Stop-Loss with PartnersRE. The policy has a premium reimbursement fund included when losses are lower than expected