

## » Stop-Loss Insights

### Smart Stop-Loss

Why are self-funded employers thinking about Stop-Loss? \$1M+ claims have increased 45%\* since 2019, according to a recent study.\*\* Be informed for good policy design.

\*109 claims per million members in 2019 to 158 in 2022.

\*\*SunLife study from May 2023.

With unpredictable healthcare costs, many self-insured plan sponsors purchase Stop-Loss coverage. This protects against catastrophic or unpredictable losses associated with high-cost claimants.

Stop-Loss is not medical insurance. It is a financial and risk management tool that protects from catastrophic claims exposure. It allows for greater control over healthcare costs and cash flow. And designing with deep insights saves significantly on premiums.

## Reporting is part of the process

### Expectations

Stop-Loss carriers must be informed when members meet policy trigger criteria. This includes things like:

- Conditions
- Surgeries
- Specialty Rx

It also occurs when members approach a Stop-Loss deductible, defined in a policy. The policy holder (e.g., the plan sponsor) must organize how the Stop-Loss carrier will be provided this information.

### The Challenge

Due to the unique nature of Stop-Loss contracts, there is no simple reporting solution. Contracts vary across a number of variables – things like:

- Payment metrics (Rolling, paid, or incurred)
- Duration
- Coverage type
- Laser lists or excluded member lists

When a health plan sends this data directly, the plan sponsor is often late to learn about impacted members or see emerging trends until year-end settlements are complete.

## » Our Approach

**Meet reporting obligations:** Reveal members (employees and dependents) that meet trigger criteria to fulfill information exchange requirements

**Dynamic and adaptive:** Offer extreme flexibility to accommodate the unique and dynamic nature of Stop-Loss policies

**Anticipate costs accurately:** Provide comprehensive monthly monitoring of how a population is approaching Stop-Loss deductibles

**Calculate and track:** See how much is accruing in liability after a member meets a Stop-Loss deductible threshold, by month. Design optimizations in following years.

**Projections, Predictions, Potentials:** We'll show you who, when, how much, by month. See how much each member is likely to cost by the end of the term.

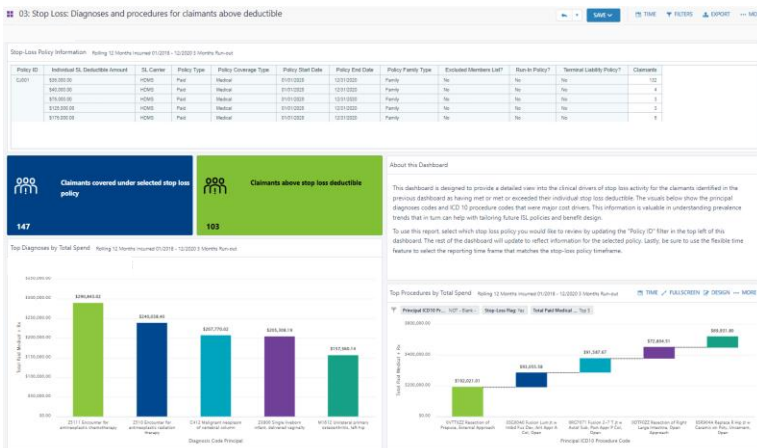
### Analytics for

## 1 Comprehensive Monitoring

Deliver member-level information, as defined by your specific policy's reporting criteria. See new members meeting policy trigger criteria monthly. See your rising risk and the projected term costs.

## 2 Future Policy Design

Use insights to improve your policy details, minimize future premium increases, and accurately anticipate your needs as your policy renews



# Get comprehensive monitoring and cost-saving policy design ideas

## » Comprehensive Monitoring

**Adaptive trigger reporting** flags members that meet policy trigger criteria based on diagnosis, conditions, hospital acquired conditions, readmissions, and other criteria. Adapts to policy changes.

**Projected Risk** shows month-by-month actuals and projections. Also view risk by Stop-Loss deductibles by trigger conditions. Drill in and see who is projected to reach and exceed Stop-Loss deductibles, when, and how much they are projected to cost by the end of the policy-term.

**Potential Risk** shows rising risk members. Drill to member-level details to understand this population better and take appropriate intervention actions.

*Forward-looking data-driven predictions, projections, and insights are to be used for planning and proactive engagement. HDMS is not liable for errors. Source data is generated by external systems.*

## Key Features



### SmartPolicy

- Intelligently integrates policy terms and adapts to term changes over time



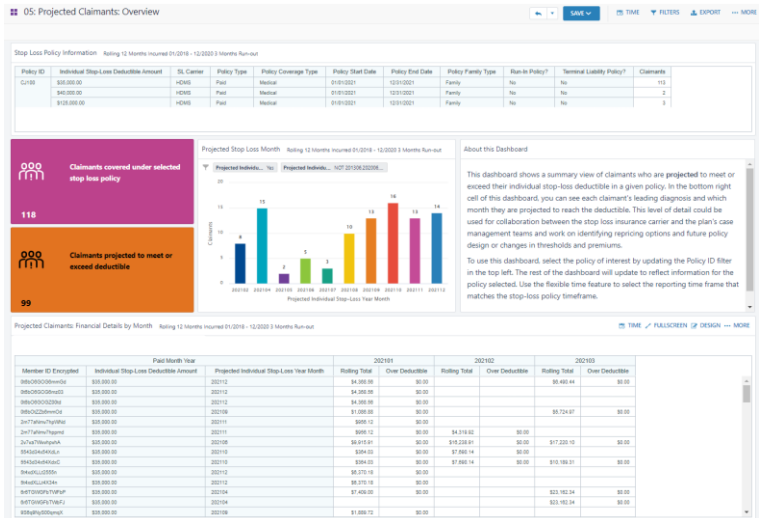
### Predictive Models and AI-driven Projections

- Predicts members that will meet Stop-Loss deductibles proactively
- Reveals Stop-Loss threshold segments at the Member level, per month



### SmartDeductible processing

- Sophisticated processing for Laser lists\* and Excluded Member lists  
*\*including members with varying Stop-Loss deductible amounts*
- Seamlessly integrates laser deductible amount into calculations and flags both **projected** and **potential** Stop-Loss members



## » Future Policy Design

**Understand your population:** Set Stop-Loss deductibles with accuracy based upon detailed understanding of care utilization and spend patterns. Build laser lists with precision. Use precision analytics for cost optimizations across medical plan and Stop-Loss policy designs.

**Understand drivers:** Analyze which conditions are driving Stop-Loss activity or catastrophic claims. With insights, designs across a health plan and the Stop-Loss policy can be approached strategically.

**SmartRunning Totals:** See month-by-month actuals and projections. See by Stop-Loss deductibles and by trigger conditions. Use these insights for who is projected to reach Stop-Loss deductibles, when, and how much will they cost by end of term for confident next term policy design decisions.

**Simulate a new policy:** See how your existing population and their claims would execute across a different policy design before you finalize a Stop-Loss contract. Use adaptive SmartPolicy functionality to look ahead using today's data.

