



Stop Loss Products

RxReins underwrites Stop Loss insurance for groups that self-fund their Prescription Drug Plans. Stop loss insurance protects these plans from excessive spending for both the entire plan and any one group member. We partner with carriers that highly rated by industry leader, AM Best. Our programs are available in all 50 states.

RxReins offers several offers several protection options, including Aggregate, Sprcific and Guaranteed Cost stop loss insurance. Our cost projections are calculated using the group's current benefit plan and claims history.

Aggregate Stop Loss

Aggregate Stop Loss is a reimbursement contract that is settled on an annual basis. Each option offers a corridor ranging from 115% to 125%, to best fit the group's risk tolerance and cash flow. The corridor is the difference between the expected claims and the point at which stop loss protection begins, also known as the attachment point. Employers choose a risk corridor that best fits their risk tolerance profile. A higher corridor will reduce the annual premium required.

Specific Stop Loss

Specific stop loss is available in conjunction with Aggregate Stop Loss coverage. This coverage is offered in a variety of deductibles ranging from \$300,000 to \$1,000,000 per covered member.

Guaranteed Cost Coverage

Guaranteed Cost coverage was designed as a fully insured hybrid product. This coverage limits an employer's risk to a fixed cost each month. Like a fully insured plan, the group is not liable for claims in excess of a fixed monthly rate. Another attractive feature of this coverage is that any fixed cost contributions remaining at the end of the plan year will be returned to the plan.

SpecialtyRx

The SpecialtyRx product is a managed closed formulary designed to maximize cost savings with protecting the plan from an unexpected FDA approvals and continually rising costs.

Closing

RxReins is a deductaed Managing General Underwriter specializing in prescription drug stop loss coverage. We offer brokers, consultants, health plans and employer groups creative and practical solutions to the challenges of managing their prescription drug spend.

To learn more about our products, please contact us at stoploss@rxreins.com or call **888-RxReins**.



RxReins is a dedicated Managing General Underwriter (MGU) that specializes in prescription drug stop loss insurance. Please contact us for more information or to obtain a quote.

888-RxReins | RxReins.com



Frequently Asked Questions

Q. What types of stop loss coverage does RxReins offer? Are they offered for all Rx plans?

A. We offer AGGREGATE stop loss coverage for Rx plans on a 12/12 and 12/13 basis. Specific stop loss insurance is also available for specialty drugs upon request. Coverage requires a significant contribution by the employer for the cost of the plan and significant participation by employees. As a result, coverage is not available for voluntary, employee pay all, Rx plans. Our carrier partners reserve the right to refuse to provide coverage if they determine that an inappropriate level or risk exists or there is not true employer-employee relationship.

Q. Is coverage available for specialty drugs?

A. Stop loss insurance for specialty drugs is available. Coverage is provided for self-administered injectables, biotech drugs and chemotherapy drugs on an aggregated or specific stop loss basis in conjunction with the standard out-patient prescription drug stop loss insurance program.

Q. What are 12/12 and 12/13 contracts?

A. A 12/12 contract covers those claims incurred and paid within the 12 month contract period. The 12/13 contract covers claims incurred within the 12 month contract period and paid within the contract period with one extra month for run out.

Q. Is there a minimum premium amount?

A. The minimum annual premium is \$2000 regardless of group size.

Q. When are premiums due?

A. At least 95% of the estimated annual premium must be submitted with the signed stop loss application. Prior to the anniversary date, RxReins will request the “balance” between the minimum premium and earned premium, if any. For stop loss policies that generate more than \$20,000 in annual premium, alternate payment arrangements will be considered.

Q. What is the smallest group size that can be underwritten?

A. Many states limit stop loss insurance to groups with 50 or more employees. Additionally, a prospect with fewer than 100 employees may be difficult to sell due to minimum annual premium and attachment point requirements.

Q. What is the Minimum Aggregate Attachment Point?

A. The minimum Aggregate Attachment point is typically 125% of expected claims.

Q. What are the maximum and minimum benefits?

A. The maximum stop loss benefit is typically one times the annual aggregate attachment point. The minimum stop loss benefit, regardless of group size, is \$50,000. A maximum benefit in excess of \$1 million requires prior approval from the carrier.

Q. How do I request a quote?

A. To request a quote, submit a completed Request for Quote (RFQ) form along with any additional requested documents. The RFQ form may be downloaded from our website at www.rxreins.com. Alternately, we will mail, fax or email the RFQ form to you. Submissions may be emailed to stoploss@rxreins.com.

Frequently Asked Questions (cont.)

Q. What is needed to underwrite a case?

A. A completed RFW along with the most recent 12 months of claims, broken out by month, along with enrollment data and a list of the top 25 drugs (by total claims volume) used under the plan.

Q. When is the stop loss insurance confirmed?

A. A confirmation of insurance, also known as a binder, is issued upon receipt of the signed Stop Loss Application and receipt of the minimum annual premium.

Q. When is the stop loss policy issued?

A. The stop loss policy is issued upon receipt and approval of the:

1. signed stop loss application
2. covered/excluded drug addendum
3. a check in the amount of the minimum annual premium, and
4. the Summary Plan Description (SPD)

Q. Who is responsible for funding the claims?

A. The group is responsible for funding all claims, including those in excess of the attachment point. The stop loss policy will reimburse the group at the conclusion of the contract period those claims “incurred and paid” during the contract period that are exceed the attachment point. Reimbursement is made after receipt and review of paid claims, eligibility, verification of incurred/paid dates and plan maximum limits. In a small number of cases, a claims audit may be required prior to reimbursement of funds.

Q. How is the annual aggregate attachment point determined?

A. The sum of all monthly aggregate attachment points (attachment factor x enrollment) during the policy year will determine the annual aggregate attachment point under the policy. The annual aggregate attachment point will never be less than the minimum aggregate attachment point shown in the schedule of stop loss insurance.

Q. Are claims and enrollment data required after the stop loss policy is in place?

A. We require the plan administrator to provide monthly enrollment and paid claims data to our office by the 15th day of the month for the preceding month on forms provided by us. For example, reports for March must be received by April 15. Monthly enrollment and paid claims reports are required by the carrier and are utilized in computing the AAAP and the renewal attachment point.



RxReins is a dedicated Managing General Underwriter (MGU) that specializes in prescription drug stop loss insurance. Please contact us for more information or to obtain a quote.

888-RxReins | [RxReins.com](https://www.RxReins.com)