

# Large Claims Update

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Medical Risk Managers

# Agenda

- Stop Loss Market
- Claim Category
- High Cost conditions
  - Medical
  - Pharmacy
- Frequency and Severity Trends

# Stop Loss – Employer

- ▶ Stop Loss surveys have shown an increase
  - ▶ Number of policies
  - ▶ Premium levels
- ▶ PPACA impact on XS Market
  - ▶ Unlimited versus annual or lifetime maximums
  - ▶ Largest employers purchase due the unlimited exposure
- ▶ Networks – Blue, United, Cigna, Aetna (BUCA) expansion via TPAs
- ▶ Frequency and Severity

# Stop Loss Premium Ranking

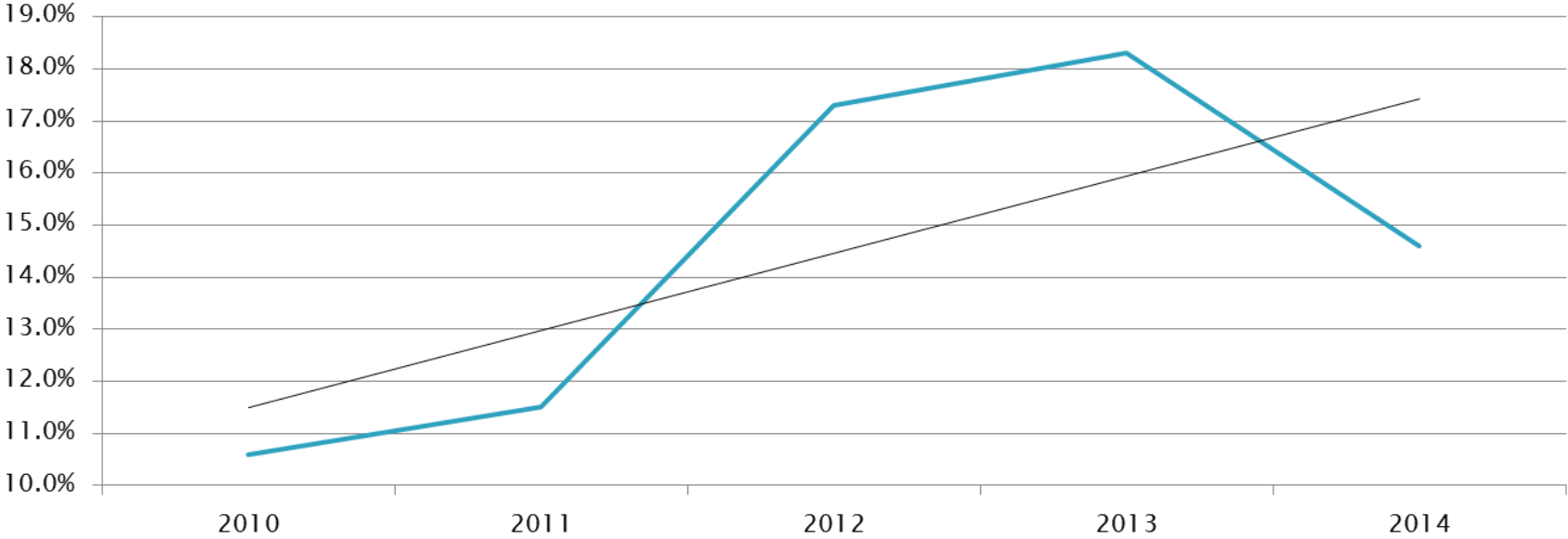
- ▶ Sun Life \$1,034 M
- ▶ HCC Life \$877 M
- ▶ HM Insurance Group \$793 M
- ▶ Symetra \$728 M
- ▶ Voya \$681 M
- ▶ Others
  - ▶ United, Aetna, WellPoint, Blue Plans, CIGNA (\$2.3 B)
- ▶ Estimate market size in the ~10+ B

# Size and Complexity of claims

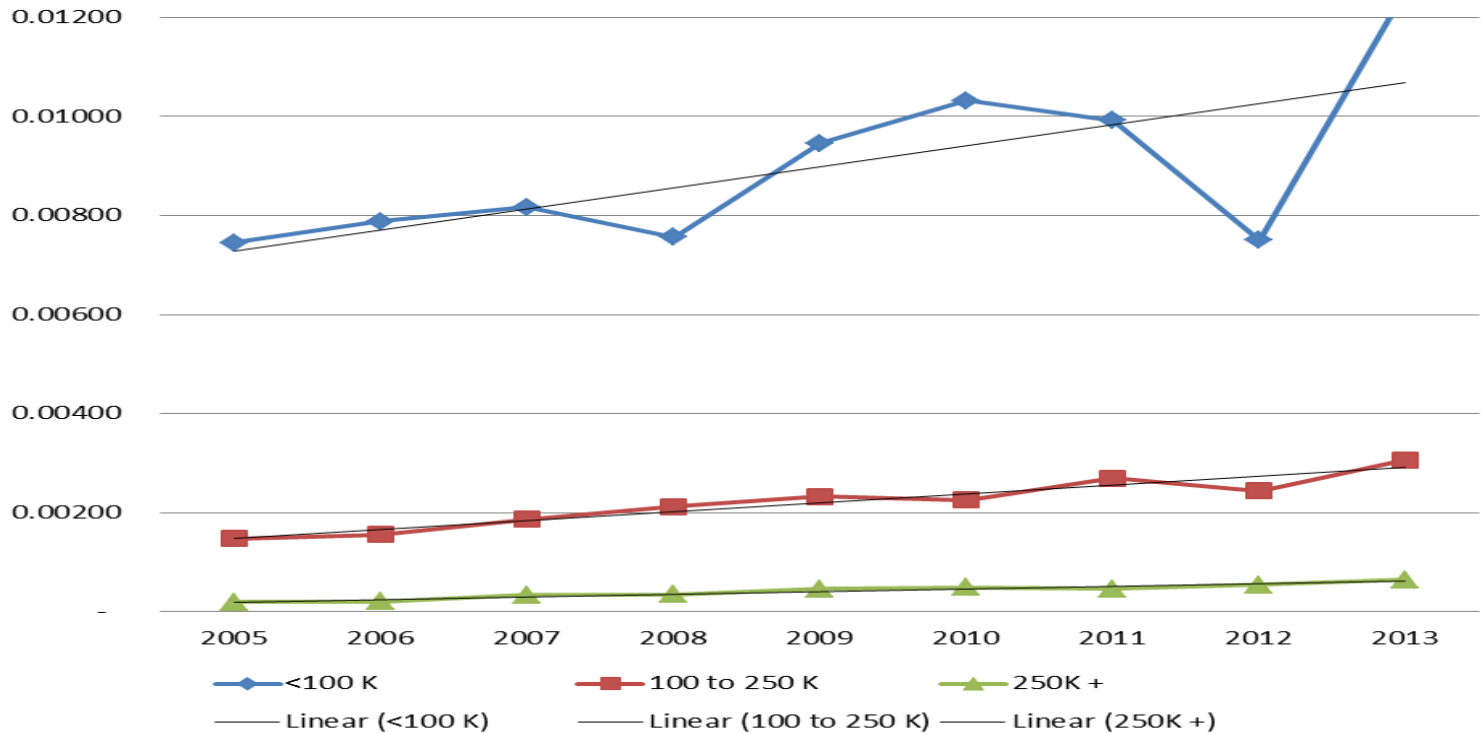
- ▶ Top Conditions for large claims
  - ▶ Malignant neoplasm
  - ▶ Circulatory
  - ▶ Injury/Poisoning
  - ▶ Congenital/perinatal
  - ▶ Blood related disorder
- ▶ High cost areas of current focus:
  - ▶ Dialysis
  - ▶ Specialty Rx (Sovaldi, others)
  - ▶ Cancer treatments (WSJ)

# Rx as a growing % of large claim \$

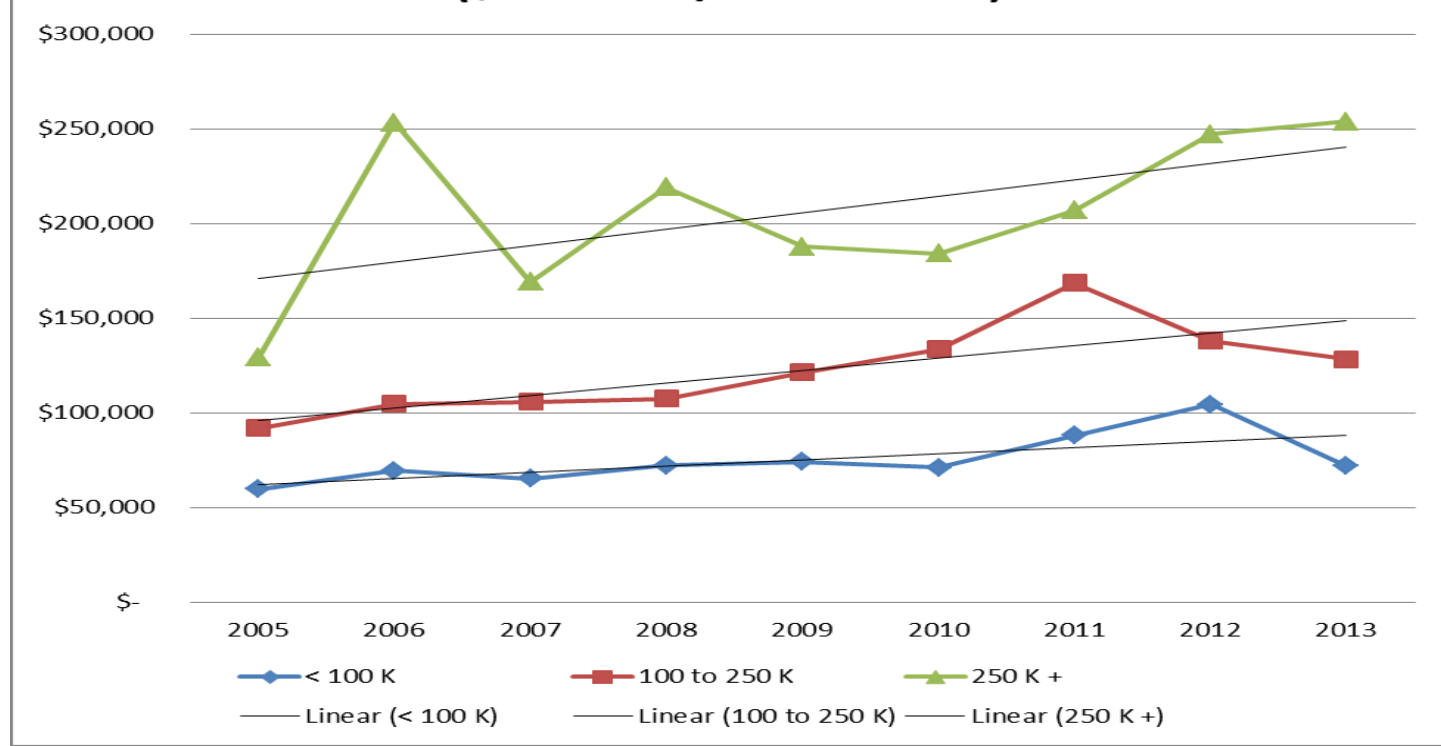
Rx %



## SL Claim Frequency (# SL claimants/Ees)



## StopLoss Severity (\$ SL claim/# Claimants)





# Questions or Comments?

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Thank You