



Managing Stop-Loss Cost-Drivers While Achieving the Best Healthcare Outcomes

When employers self-fund their health plans, they are responsible for paying the plan's claims up to the stop-loss limit. This form of reinsurance protects self-funded plans from catastrophic losses. But, what happens when one member's care costs more than that of all other members combined? This scenario is more common than you might expect.

As a general agency specializing in medical stop-loss coverage, Stealth Partner Group collaborates with self-funded plans and Innovative Care Management (ICM) to manage these scenarios proactively and accurately.

▶ About Stealth Partner Group

Stealth Partner Group, an Amwins Company, is a specialized general agency. It works with brokers, consultants and third-party administrations to manage medical stop loss programs with top carriers.

Stealth Partner Group has established itself as a trusted long-term partner that provides real value, and part of this value involves helping brokers solve challenges for their self-insured employer clients. One common challenge is how to best manage and price plans when a member has a serious condition such as cancer, heart disease or kidney disease.

For example, if a plan member is diagnosed with chronic kidney disease, it's reasonable to assume that this member will need expensive care in the months and years to come, possibly including kidney dialysis, kidney transplant surgery and expensive medications.

These costs are significant. Scott Campbell, Executive Vice President at Stealth Partner Group, explains that 1% of a plan's member population could drive 30% of a plan's healthcare spend, and 5% of the population could drive 90% of the spend.



▶ Managing Lasers

It's unsustainable for the premiums and copays of the entire plan to be based on a few members' high claims. To solve this challenge, stop-loss carriers apply laser provisions.

When a member is identified as having a high risk of extreme costs, the stop-loss carrier may add a laser provision that assigns a separate, higher deductible to one individual. This helps the stop-loss carrier control its costs without raising premiums for the entire group. It also forces the self-funded employer to take on greater financial responsibility for one member, with the upside of protecting the overall plan.

In laser scenarios, it's essential to understand the expected medical costs as accurately as possible and to ensure that the member's care is as effective as possible. By leveraging ICM's case management solutions, Stealth Partner Group can price stop-loss coverage fairly while providing an invaluable service for plan members.

"When somebody asks me who I recommend for white glove case management, ICM is the first out of my Rolodex," says Scott.

▶ Human-Centered Case Management

ICM's human-centered case management approach helps members navigate their care so they can avoid costly complications or unnecessarily expensive options. As a result, plans can control costs while still supporting member well-being.

While self-funded employers often utilize ICM's case management services to best utilize plan resources, Stealth Partner Group uses ICM's services to improve management of stop-loss coverage.

"Through close collaboration with Stealth, we have established a proactive, two-way communication model that provides deeper visibility into member status during active case management episodes.

By aligning early on high-risk claims, ongoing clinical updates and care progression milestones, we're collectively able to make more informed decisions in real time," explains Elizabeth Thomas, Business Development Leader at ICM.



"ICM's services are incredibly valuable for my ability to deliver the best protection at the best price for our clients."

Scott Campbell
Executive Vice President at
Stealth Partner Group

▶ Better Data for Increased Precision

ICM provides data-driven insights into the expected costs of a member's treatments, and this helps employer groups anticipate costs and negotiate reasonable lasers with stop-loss carriers like Stealth.

For example, if a member has cancer, ICM can provide granular, detailed information on the prognosis and treatment options, including the facility that can be used and the types of medications they're going to need. Without this information, Stealth Partner Group might have to assume the member would receive the highest cost care options, such as the most expensive chemotherapy at the most expensive treatment facility. With this information, Stealth Partner has a more precise outlook.

When determining an appropriate laser for a specific member, this level of precision makes a significant difference.

Consider a member with heart disease. If he needs a Left Ventricular Assist Device (LVAD) and heart transplant, the stop-loss laser might be set at \$1.5 million. But if ICM can show that the LVAD device has already been successfully placed and the member is responding well, the laser may be lowered to \$1 million. The facility can also make a major difference. One facility may charge \$800,000, and another may charge \$1.2 million. Knowing these cost details gives Stealth Partner Group the information needed to determine a fair laser.

▶ Controlling Costs without Sacrificing Quality of Care

Stop-loss carriers and self-funded employers both have to manage healthcare costs or they risk financial insolvency. However, severe health conditions aren't just about money – they're about real people going through extremely difficult times.

ICM's nurses help members who are trying to navigate the complexities of the healthcare system. "It's like having your own nurse," says Scott. "ICM provides a really high-touch, white glove service compared to their competitors. They just go that extra mile."

Members don't have to choose between quality care and cost control – with an experienced nurse by their side, they can achieve both goals. When appropriate, ICM is able to direct members toward the providers and facilities that have delivered the best outcomes, helping to lower costs while improving care.

Scott recalls a recent care situation where an employer was able to save \$300,000 thanks to ICM's guidance. "They were able to redirect the member to a more experienced provider for that condition, and they helped the member access a better plan of care that ultimately was going to save money and be better for the member," he says. It was a clear win for everyone involved.

► The Benefit of an Unbiased Partner

“The stakes are very, very high,” Scott says. Members need care for life-threatening health conditions, and employers need to manage costs that could easily add up to seven figures. Meanwhile, Stealth Partner Group needs to price stop-loss coverage accurately to help clients manage the long-term financial health of their plan.

ICM’s involvement helps everyone achieve their goals while remaining impartial.

“What I also appreciate is that they are independent. So they’re not serving somebody else’s agenda,” says Scott. “They are willing to work with any network, administrator or employer. They’ll go meet the member and interact with you, no matter what the situation is. They don’t come in with any biases or pressure to do something – they operate with the member’s best interests in mind.”