



Policy Characteristics in the Employer Medical Stop-Loss Market

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Prepared at the request of:
The Self Insurance Educational Foundation

Prepared by:
Robert Bachler, FSA, FCAS, MAAA
Principal and Consulting Actuary

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SECTION I: EXECUTIVE SUMMARY

The Self-Insurance Educational Foundation requested that Milliman prepare this report summarizing the distribution of key policy characteristics found in the U.S. Employer Medical Stop-Loss insurance (ESL) market. The report is an update of a similar study performed last year. The underlying policy data was provided by eight of the largest stop-loss carriers, representing approximately 50% of the market. We have assumed the data is a reasonable approximation of the entire ESL market. This report does not attempt to make judgments on appropriate underwriting or policy decisions; it only summarizes the data provided.

Organization of Report

The report is organized as follows:

- The body of the report provides summary tables of the policy data provided by the carriers, with brief descriptions of each table.
- Appendix A includes versions of all of the tables found in the body of the report. Certain tables were condensed within the report body to make the report more readable. For these tables, the full version of the table can be found in Appendix A.
- Appendix B includes tables showing claim frequencies for specific and aggregate stop-loss. These tables are based on Milliman internal research and simplifying assumptions. These tables are independent of the data provided by carriers, as the carriers did not provide claim data to Milliman.

Key Findings

- Employers with 100 or fewer covered employees represent approximately one-quarter of the ESL market if the market is measured by count of employers. If measured by covered employees, however, that same segment represents only 2% of the ESL market.¹
- A majority of ESL purchasers obtain both specific and aggregate stop-loss. However, most employers with over 1,000 employees purchase specific stop-loss without aggregate. The number of employers purchasing aggregate coverage without specific stop-loss is very small.
- The data included employers that purchased specific deductibles ranging from \$5,000 to \$2,500,000. However, 80% of employers purchased deductibles of \$50,000 or greater.
- The median specific deductible found in the calendar year (CY) 2013 data across all plans was \$85,000. For groups with 50 or fewer covered employees, the median deductible in CY 2013 was \$30,000. For groups of 51-100 employees, the CY 2013 median was \$45,000.
- Approximately 0.3% of specific stop-loss policies with effective dates in CY 2013 had a specific deductible of less than \$20,000.
- The data included employers that purchased aggregate corridors ranging from 85% to 200% of expected claims. By far, the most common corridor (found on nearly 90% of policies with aggregate coverage) was 125% of expected claims.

¹ Most small group rating and underwriting laws define "small" groups using eligible employees; the recently enacted Affordable Care Act uses all employees in its definition. Both of these definitions will always result in counts greater than or equal to covered employees. However, neither eligible nor total employees are not a measure captured by a typical stop-loss carrier

SECTION II: BACKGROUND

Data Used

The data underlying this study was provided by the following direct stop-loss carriers

- Berkley Accident & Health
- Companion Life Insurance Company
- HCC Life Insurance Company
- HM Insurance Group
- ING Employee Benefits
- OptumHealth
- Sun Life Financial
- Symetra

Based on published information, these carriers represent over \$4 billion in written ESL premium. Estimates of the total size of the ESL market vary, but most market size estimates would imply that these carriers represent approximately 50% of the total ESL market. As a result, while this data does not represent the entire ESL market, we have assumed that it is a reasonable approximation of the entire ESL market.

It is our understanding that the data consisted of all ESL policies directly written by these carriers for the years provided. The data did not include policies written by other carriers for which risk may have been assumed by contributing carriers through a reinsurance arrangement.

Terms and Definitions

To assist those who may not be familiar with employer stop-loss, this section explains some terms that are commonly used throughout the report.

Self-funded Employer – An employer that pays for health/medical benefits to employees with its own funds rather than purchasing an insurance policy from a traditional insurer. As a result, the employer assumes direct risk for payment of claims to providers.

Specific Stop-Loss – An insurance policy purchased by a self-funded employer that reimburses the employer in the event that a single individual generates medical claims over a specified amount (the “specific deductible”) during the contract period. Contract periods are typically twelve months.

Aggregate Stop-Loss – An insurance policy purchased by a self-funded employer that reimburses the employer in the event that total medical expenditures exceed a pre-determined amount (the “aggregate attachment point”). The pre-determined amount is typically calculated as the product of a per-employee-per-month factor and the number of covered employees each month, summed across all months in the contract period. The per-employee-per-month factor, and therefore the attachment point, is generally expressed as a percentage of expected claims (e.g., 125% of expected claims, where expected claims are \$700 per employee per month).

Aggregate Attachment Point – The claim level at which an aggregate stop-loss claim is triggered. This can also be called the aggregate deductible.

Aggregate Corridor – The difference between expected total claims and the aggregate attachment point, typically expressed as a percentage of expected claims. When expressed as a percentage of expected claims, the aggregate corridor is equal to the aggregate attachment point, minus 100%.

SIC Code – Standard Industrial Classification, or SIC, codes are four-digit codes used to classify businesses by industry. The codes are hierarchical in nature, such that the first three digits of a company’s SIC code identify the “industry group” to which the company belongs, and the first two digits identify the “major group”. Major groups can be further aggregated into divisions, though the aggregation of major groups into divisions is not necessarily apparent from the SIC code itself.

Covered Employees – Number of employees that receive coverage through the employer’s self-funded medical plan. This excludes all employees that are not eligible for coverage or choose to waive the opportunity to receive coverage for whatever reason.

Eligible Employees – Number of employees that are eligible to receive coverage through the employer’s self-funded medical plan based on criteria defined in the employer’s plan document.

Small Group – Under current law in most states, a “small” group is defined as an employer with 50 or fewer eligible employees.² Under the Affordable Care Act (ACA), a small group is defined as have 1 to 100 employees, although the ACA allows states to restrict the definition to a maximum of 50 employees until 2016.

² Fully-insured small group policies are subject to state-specific small group reform statutes based on eligible employees, not covered employees. In part because self-funded plans are not subject to these statutes, very few stop-loss carriers track the number of eligible employees on issued policies.

SECTION III: PREVALENCE OF STOP-LOSS COVERAGE

This section provides several summary tables illustrating the number of self-funded employers purchasing stop-loss coverage as well as the number of employees covered under these stop-loss policies. All tables display percentages. Unless otherwise noted, these percentages represent the percentage of total policies or percentage of total covered employees for a given year.

In some cases, the tables shown in this section are condensed to keep the body of the report brief. Appendix A includes expanded versions of these tables.

Totals by Group Size

Table 1.1 shows the percent of employers purchasing specific stop-loss coverage, aggregate stop-loss coverage, and specific and aggregate combined for policies with effective dates in CY 2013. In addition to showing an overall total, the table shows totals by group size, where group size is defined by the number of covered employees in the group.

Group Size	Specific only	Aggregate only	Both Spec and Agg	Total
<51	0.9%	0.7%	6.8%	8.4%
51-100	2.2%	0.2%	13.9%	16.4%
101-250	4.4%	0.1%	22.4%	26.8%
251-500	4.9%	0.0%	12.9%	17.8%
501-1000	5.7%	0.0%	7.1%	12.8%
1001-5000	10.0%	0.0%	5.0%	15.1%
>5000	2.6%	0.0%	0.1%	2.8%
TOTAL	30.8%	1.0%	68.2%	100.0%

* The sum of column values may not equal totals due to rounding

This table shows that

- About half of the employers purchasing stop-loss coverage in 2013 have over 250 covered employees.
- Just under one-quarter of purchasers have 100 or fewer covered employees.
- 68% of stop-loss policies include both specific and aggregate coverage.
- Larger employers are much more likely to purchase specific-only coverage.
- The aggregate-only market remains small based on the data received, at approximately 1% of total policies sold.

Tables 1.2 and 1.3 are the same table as Table 1.1 except that they summarize policies with effective dates in CY 2012 and CY 2011, respectively.

Table 1.2				
Policy Count by Group Size				
CY 2012				
Group Size	Specific only	Aggregate only	Both Spec and Agg	Total
<51	1.0%	0.2%	6.4%	7.6%
51-100	2.4%	0.1%	14.4%	16.9%
101-250	4.5%	0.0%	23.2%	27.7%
251-500	4.8%	0.0%	12.7%	17.5%
501-1000	5.7%	0.0%	6.9%	12.6%
1001-5000	10.4%	0.0%	4.6%	15.0%
>5000	2.5%	0.0%	0.2%	2.7%
TOTAL	31.3%	0.3%	68.4%	100.0%

* The sum of column values may not equal totals due to rounding

Table 1.3				
Policy Count by Group Size				
CY 2011				
Group Size	Specific only	Aggregate only	Both Spec and Agg	Total
<51	1.0%	0.1%	5.7%	6.8%
51-100	2.2%	0.0%	14.4%	16.6%
101-250	4.8%	0.0%	23.5%	28.3%
251-500	5.0%	0.0%	12.7%	17.7%
501-1000	5.6%	0.0%	7.1%	12.8%
1001-5000	10.6%	0.0%	4.6%	15.3%
>5000	2.4%	0.0%	0.2%	2.6%
TOTAL	31.7%	0.1%	68.2%	100.0%

* The sum of column values may not equal totals due to rounding

These tables show that the aforementioned market characteristics were similar in CY 2013, CY 2012, and CY 2011, with a small amount of growth in the purchase of aggregate only policies. In all three years, employers with over 100 covered employees make up about 75% of the market, larger employers are much more likely to purchase specific-only coverage, specific-only policies represent about 31% of the market, and the aggregate-only market is limited. Due to these similarities over the 3 years of data, we will only present CY 2013 tables for the remainder of this section.

Table 2 shows the same characteristics for calendar year 2013, but on the basis of covered employees instead of purchasing employers.

Table 2 Covered Employees by Group Size CY 2013				
Group Size	Specific only	Aggregate only	Both Spec and Agg	Total
<51	0.0%	0.0%	0.3%	0.4%
51-100	0.2%	0.0%	1.3%	1.5%
101-250	0.9%	0.0%	4.5%	5.4%
251-500	2.2%	0.0%	5.6%	7.8%
501-1000	5.1%	0.0%	6.1%	11.2%
1001-5000	28.9%	0.0%	11.1%	39.9%
>5000	32.0%	0.1%	1.6%	33.8%
TOTAL	69.4%	0.2%	30.5%	100.0%

* The sum of column values may not equal totals due to rounding

This table shows that when viewed on a covered employee basis, the market is much more skewed towards large employers. On this basis, employers with over 100 covered employees comprise 98% of the market. The largest band, when measured by covered employees, is groups of size 1,001 – 5,000, which represents 40% of the market. The next largest band is group size > 5,000, which represents 34% of the market.

Totals by Geography

This section shows policy counts and covered employees, summarized by geography. Given the large portion of the stop-loss market represented by the carriers contributing to this report, we believe the tables are fairly representative of the market as a whole. However, even large carriers will often have a geographic footprint that is smaller than the entire U.S. Thus, these summaries may be somewhat skewed by the chosen geographic mix of contributors.

Table 3 shows the percent of policies purchased by state. Unlike Tables 1 and 2, the percentages in body of this table represent the percentage of the appropriate row total. For example, the table indicates that 27% of policies written in Texas are specific-only policies. The total column still represents the percentage of the entire dataset used in the survey. For example, the table indicates that 7.1% of stop-loss policies in the data were written for Texas employers.

Please note that, for brevity, the table shown below only includes the five states with the highest (and lowest) policy counts. The full table, showing all 50 states plus the District of Columbia, is included in Appendix A.

Table 3 Policy Count by State CY 2013				
State	Specific only ⁽¹⁾	Aggregate only ⁽¹⁾	Both Spec and Agg ⁽¹⁾	Total ⁽²⁾
PA	39%	0%	61%	7.5%
TX	27%	4%	69%	7.1%
OH	25%	1%	73%	5.4%
IN	16%	2%	82%	5.2%
IL	32%	0%	68%	4.8%
.....
DE	21%	0%	79%	0.2%
RI	43%	4%	52%	0.2%
VT	24%	0%	76%	0.2%
ND	0%	0%	100%	0.1%
HI	0%	0%	0%	0.0%

(1) Policy type percentages represent percent of state total.

(2) Total percentages represent state's share of all policies written in 2013.

The results shown in this table are not particularly surprising. With the exception of Indiana, the top states tend to be large population states and the bottom states tend to be states with smaller populations.

Totals by Industry

Table 4 shows the percent of policies purchased by industry, as defined by SIC code. The table uses the first three digits of the SIC code, which represents the "industry group".

As with Table 3, the percentages in body of the table represent the percent of the appropriate row total. For example, Table 4 indicates that 59% of policies written to hospitals are specific-only policies. The total column represents percentage of the entire survey. For example, Table 4 indicates that 7.0% of stop-loss policies in the data were written for hospitals.

Similar to Table 3, only the industry groups with the highest policy counts are shown. A table showing all industry groupings with at least 7,500 employees (approximately 0.1% of the total included in the underlying data) is included in Appendix A.

3-Digit SIC	SIC Description	Specific only⁽¹⁾	Aggregate only⁽¹⁾	Both Spec and Agg⁽¹⁾	Total⁽²⁾
806	Hospitals	59%	0%	41%	7.0%
911	Executive Offices	33%	0%	67%	4.6%
821	Elementary and Secondary Schools	38%	0%	62%	3.9%
801	Offices and Clinics of Medical Doctors	17%	2%	81%	2.9%
874	Management and Public Relations	30%	0%	70%	2.1%
805	Nursing and Personal Care Facilities	30%	1%	69%	1.7%
871	Engineering and Architectural Services	22%	1%	77%	1.7%
602	Commercial Banks	16%	0%	84%	1.6%
737	Computer and Data Processing Services	27%	0%	73%	1.6%
919	General Government, NEC	20%	1%	78%	1.4%

(1) Policy type percentages represent percent of SIC total.

(2) Total percentages represent industry group's share of all policies written in 2013.

The table above shows hospitals as the largest industry group in the stop-loss market by a significant margin, with over 50% more stop-loss contracts than the second highest industry group. Three of the top six industries are in the medical sector, which makes up about 14% of all stop-loss policies.

SECTION IV: DISTRIBUTION OF DEDUCTIBLES AND CORRIDORS

This section provides tables illustrating the range of deductibles (for specific stop-loss) and corridors (for aggregate stop-loss) purchased. As in the previous section, the tables will show both the percentage of policies and the percentage of employees covered under these stop-loss policies.

Deductibles by Group Size

Table 5.1 shows the distribution of specific deductibles purchased by employers of various sizes (as defined by covered employees). Table 5.1-A in Appendix A provides the deductible distribution in more detail, with smaller deductible ranges. Employers with aggregate only coverage are excluded from these tables.

Group Size	Specific Deductible				Median Deductible	Average Deductible
	<\$25,000	\$25,000 - \$75,000	\$75,000 - \$150,000	\$150,000+		
<51	0.9%	6.4%	0.3%	0.1%	30,000	39,000
51-100	0.2%	13.9%	2.0%	0.2%	45,000	50,000
101-250	0.0%	14.5%	11.0%	1.4%	70,000	75,000
251-500	0.0%	2.2%	10.8%	4.9%	100,000	119,000
501-1000	0.0%	0.1%	4.0%	8.8%	150,000	174,000
1001-5000	0.0%	0.0%	0.7%	14.5%	250,000	281,000
>5000	0.0%	0.0%	0.0%	2.8%	450,000	483,000
TOTAL	1.2%	37.2%	28.9%	32.7%	85,000	132,000

* The sum of column values may not equal totals due to rounding

This table shows that nearly 99% of employers with specific coverage have deductibles of at least \$25,000 and 62% have deductibles of at least \$75,000. As would be expected, it also shows that larger employers are more likely to have higher specific deductibles. A review of the underlying data shows that less than 0.4% (or 1 in 250) of groups with over 1,000 covered employees have a deductible less than \$75,000.

Out of nearly 10,000 policies with 2013 effective dates that included specific stop-loss coverage, there were 115 policies with deductibles of less than \$25,000. Of these 115 policies,

- 2 had deductibles between \$5,000 and \$9,999
- 14 had deductibles between \$10,000 and \$19,999
- 99 had deductibles between \$20,000 and \$24,999

Tables 5.2 and 5.3 provide a similar summary as Table 5.1, but for CY 2012 and CY 2011, respectively.

Table 5.2						
Policy Count by Deductible and Group Size						
CY 2012						
Group Size	Specific Deductible				Median Deductible	Average Deductible
	<\$25,000	\$25,000 - \$75,000	\$75,000 - \$150,000	\$150,000+		
<51	0.8%	6.3%	0.3%	0.0%	35,000	38,000
51-100	0.3%	14.4%	2.0%	0.2%	45,000	50,000
101-250	0.1%	15.6%	10.7%	1.4%	65,000	73,000
251-500	0.0%	2.4%	10.9%	4.3%	100,000	115,000
501-1000	0.0%	0.2%	4.3%	8.2%	150,000	167,000
1001-5000	0.0%	0.0%	0.9%	14.1%	250,000	267,000
>5000	0.0%	0.0%	0.0%	2.7%	400,000	455,000
TOTAL	1.2%	38.9%	29.1%	30.8%	85,000	125,000

* The sum of column values may not equal totals due to rounding

Table 5.3						
Policy Count by Deductible and Group Size						
CY 2011						
Group Size	Specific Deductible				Median Deductible	Average Deductible
	<\$25,000	\$25,000 - \$75,000	\$75,000 - \$150,000	\$150,000+		
<51	1.0%	5.5%	0.2%	0.1%	30,000	37,000
51-100	0.3%	14.5%	1.7%	0.1%	40,000	47,000
101-250	0.1%	16.5%	10.6%	1.1%	65,000	71,000
251-500	0.0%	2.7%	11.0%	3.9%	100,000	111,000
501-1000	0.0%	0.2%	4.7%	7.9%	150,000	163,000
1001-5000	0.0%	0.0%	0.9%	14.3%	250,000	257,000
>5000	0.0%	0.0%	0.0%	2.5%	400,000	445,000
TOTAL	1.5%	39.4%	29.1%	30.1%	80,000	122,000

* The sum of column values may not equal totals due to rounding

Tables 5.1, 5.2 and 5.3 show that average and median deductibles have increased or remained constant for each group size band in each of the last two years. The tables also demonstrate that the deductible mix of the specific stop-loss market has been fairly consistent over the past three years.

Table 6.1 shows the distribution of aggregate corridors purchased by employers of various sizes in CY 2013. Employers with specific-only coverage are excluded from this table.

Table 6.1					
Policy Count by Corridor and Group Size					
CY 2013					
Group Size	Aggregate Corridor				Total
	15% and below	16% - 20%	21% - 25%	Above 25%	
<51	0.8%	0.2%	9.0%	0.8%	10.8%
51-100	0.6%	0.6%	18.6%	0.6%	20.4%
101-250	0.5%	1.7%	29.9%	0.3%	32.4%
251-500	0.2%	1.2%	16.9%	0.2%	18.6%
501-1000	0.1%	1.1%	8.8%	0.3%	10.3%
1001-5000	0.1%	0.8%	5.9%	0.5%	7.2%
>5000	0.0%	0.0%	0.1%	0.1%	0.2%
TOTAL	2.3%	5.5%	89.2%	2.9%	100.0%

* The sum of column values may not equal totals due to rounding

According to the information in this table, 89% of policies with aggregate coverage have corridors between 21% and 25%. Note that while this table shows ranges of aggregate corridors, almost all aggregate corridors are multiples of 5%. For example, 99.9% of policies with aggregate corridors between 21% and 25% actually have a corridor of 25%.

Tables 6.2 and 6.3 provide a similar summary as Table 6.1, but for CY 2012 and CY 2011, respectively.

Table 6.2					
Policy Count by Corridor and Group Size					
CY 2012					
Group Size	Aggregate Corridor				Total
	15% and below	16% - 20%	21% - 25%	Above 25%	
<51	0.3%	0.2%	8.2%	0.9%	9.6%
51-100	0.4%	0.5%	19.4%	0.8%	21.1%
101-250	0.4%	1.8%	31.2%	0.4%	33.8%
251-500	0.2%	1.4%	16.5%	0.3%	18.4%
501-1000	0.1%	1.0%	8.7%	0.3%	10.1%
1001-5000	0.0%	0.8%	5.4%	0.4%	6.7%
>5000	0.0%	0.0%	0.2%	0.1%	0.3%
TOTAL	1.4%	5.7%	89.7%	3.2%	100.0%

* The sum of column values may not equal totals due to rounding

Table 6.3					
Policy Count by Corridor and Group Size					
CY 2011					
Group Size	Aggregate Corridor				Total
	15% and below	16% - 20%	21% - 25%	Above 25%	
<51	0.1%	0.4%	7.3%	0.6%	8.4%
51-100	0.4%	0.7%	19.2%	0.8%	21.1%
101-250	0.5%	1.6%	31.9%	0.4%	34.4%
251-500	0.1%	1.4%	16.7%	0.3%	18.5%
501-1000	0.0%	0.8%	9.4%	0.2%	10.5%
1001-5000	0.1%	0.8%	5.6%	0.4%	6.8%
>5000	0.0%	0.0%	0.2%	0.1%	0.3%
TOTAL	1.2%	5.7%	90.2%	2.8%	100.0%

* The sum of column values may not equal totals due to rounding

Tables 6.1, 6.2 and 6.3 demonstrate that the corridor mix of the aggregate market has been fairly similar over the past three years. Policies with corridors between 21% and 25% represent about 90% of all aggregate policies in each of the past three years. Policies with aggregate corridors less of 15% or less represent 1-2% of the market in each of the past three years. Of those policies with effective dates in 2013 and corridors of 15% or less, over 80% had corridors of exactly 115%.

Deductibles by State

Table 7 shows the distribution of specific deductibles, as measured by policy count, for five states with a large number of stop-loss policies. In order to keep the confidentiality of contributor carrier data, the states shown in Table 7 represent the top five states, by policy count, excluding any states for which one carrier represents at least 50% of the market. Table 7-A in Appendix 1 shows the distribution for all states (excluding states with a dominant carrier) using more narrow deductible ranges. Table 7 and Table 7-A exclude aggregate-only policies.

The percentages in the body of the table represent the percentage of the appropriate row total. For example, Table 7 indicates that 30% of specific stop-loss policies written in Texas have deductibles greater than \$150,000. The total column represents the percentage of the entire survey. Table 7 indicates that 6.9% of specific stop-loss policies were written for Texas employers.

Table 7 Policy Count by State CY 2013								
State	Specific Deductible ⁽¹⁾				Total ⁽²⁾	Median Deductible	Average Deductible	
	< \$25,000	\$25,000 - \$75,000	\$75,000 - \$150,000	\$150,000 +				
TX	2%	37%	32%	30%	6.9%	\$80,000	\$126,000	
OH	4%	47%	26%	24%	5.4%	\$70,000	\$111,000	
IL	2%	46%	29%	23%	4.8%	\$75,000	\$111,000	
CA	0%	16%	27%	57%	4.7%	\$150,000	\$187,000	
WI	1%	52%	28%	19%	4.6%	\$65,000	\$101,000	

(1) Policy type percentages represent percent of state total.

(2) Total percentages represent state's share of all employees covered in 2013.

SECTION V: LIMITATIONS AND QUALIFICATIONS

Limitations

The results illustrated in this report are based on data provided to Milliman by several stop-loss carriers. The report is intended to provide a summary of these results. However, the results have the following limitations.

- This report relies upon the data provided by participating carriers being complete and accurate. While we have reviewed the data for unusual values and clarified data definitions with participating carriers, we have not audited the data. To the degree that the data is incomplete or inaccurate, the results shown will not properly reflect the characteristics of these carriers' books of business.
- Given the size of the participating carriers relative to the entire ESL market, we believe it is reasonable to assume that the results present a reasonable approximation of the entire market. However, we cannot guarantee that other carriers in the ESL market have sold stop-loss policies with characteristics similar to the carriers included in this study.
- No differentiation was made for the benefits covered under the stop-loss policies. For example, specific stop-loss policies commonly exclude pharmacy costs. Aggregate stop-loss policies often include non-medical benefits, such as dental or disability.
- No adjustments were made for unusual policy characteristics. For example, most stop-loss policies cover costs during a 12-month period. However, no exclusions were applied for policies with different coverage periods.
- Some of the participating carriers included additional data beyond the data provided for the initial report produced last year. This additional data included corrections to the prior year's submission. In addition, the carrier that did not provide data from 2011 for the original report did provide the data this year. We reviewed the impact of this data and did not find the impact to be material to the general observations from this report.

This report is only intended to provide a snapshot of the ESL market. It is not intended to provide underwriting or policy guidance. Users of the report should draw their own conclusions from the summaries provided.

Statement of Actuarial Qualification

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. I am a member of the American Academy of Actuaries, and meet the qualification standards for performing the analyses in this report.

APPENDIX A – COMPLETE TABLES

This appendix includes versions of all tables from the report. Please note the following when reviewing these tables.

- When the table is an exact replica of the table in the body of the report, the number will be identical. For example, Table 1.1 in this appendix is identical to Table 1.1 in the report body.
- When the table is an expansion of the table in the report body, it will be numbered “X-A”. For example, Table 3-A in the Appendix includes all states, while Table 3 in the report only includes the top and bottom five states by policy count.
- When a table is an expansion of the table in the report body, it will be in alphabetical or numeric order, whereas the table in the report body was listed from highest to lowest. For example, Table 3-A in the Appendix lists states in alphabetical order by state abbreviation. Table 3 in the report lists the top five states in order of total policy counts.
- Table 7-A will show “NA” for states where data for a single carrier represents over 50% of the data across all carriers (as measured by policy count). However, totals for these states will be shown and totals across all states will include the excluded states.

Totals by Group Size

Table 1.1				
Policy Count by Group Size				
CY 2013				
Group Size	Specific only	Aggregate only	Both Spec and Agg	Total
<51	0.9%	0.7%	6.8%	8.4%
51-100	2.2%	0.2%	13.9%	16.4%
101-250	4.4%	0.1%	22.4%	26.8%
251-500	4.9%	0.0%	12.9%	17.8%
501-1000	5.7%	0.0%	7.1%	12.8%
1001-5000	10.0%	0.0%	5.0%	15.1%
>5000	2.6%	0.0%	0.1%	2.8%
TOTAL	30.8%	1.0%	68.2%	100.0%

* The sum of column values may not equal totals due to rounding

Table 1.2				
Policy Count by Group Size				
CY 2012				
Group Size	Specific only	Aggregate only	Both Spec and Agg	Total
<51	1.0%	0.2%	6.4%	7.6%
51-100	2.4%	0.1%	14.4%	16.9%
101-250	4.5%	0.0%	23.2%	27.7%
251-500	4.8%	0.0%	12.7%	17.5%
501-1000	5.7%	0.0%	6.9%	12.6%
1001-5000	10.4%	0.0%	4.6%	15.0%
>5000	2.5%	0.0%	0.2%	2.7%
TOTAL	31.3%	0.3%	68.4%	100.0%

* The sum of column values may not equal totals due to rounding

Table 1.3				
Policy Count by Group Size				
CY 2011				
Group Size	Specific only	Aggregate only	Both Spec and Agg	Total
<51	1.0%	0.1%	5.7%	6.8%
51-100	2.2%	0.0%	14.4%	16.6%
101-250	4.8%	0.0%	23.5%	28.3%
251-500	5.0%	0.0%	12.7%	17.7%
501-1000	5.6%	0.0%	7.1%	12.8%
1001-5000	10.6%	0.0%	4.6%	15.3%
>5000	2.4%	0.0%	0.2%	2.6%
TOTAL	31.7%	0.1%	68.2%	100.0%

* The sum of column values may not equal totals due to rounding

Table 2				
Covered Employees by Group Size				
CY 2013				
Group Size	Specific only	Aggregate only	Both Spec and Agg	Total
<51	0.0%	0.0%	0.3%	0.4%
51-100	0.2%	0.0%	1.3%	1.5%
101-250	0.9%	0.0%	4.5%	5.4%
251-500	2.2%	0.0%	5.6%	7.8%
501-1000	5.1%	0.0%	6.1%	11.2%
1001-5000	28.9%	0.0%	11.1%	39.9%
>5000	32.0%	0.1%	1.6%	33.8%
TOTAL	69.4%	0.2%	30.5%	100.0%

* The sum of column values may not equal totals due to rounding

Totals by Geography

Table 3-A Policy Count by State CY 2013									
State	Specific only ⁽¹⁾	Aggregate only ⁽¹⁾	Both Spec and Agg ⁽¹⁾	Total ⁽²⁾	State	Specific only ⁽¹⁾	Aggregate only ⁽¹⁾	Both Spec and Agg ⁽¹⁾	Total ⁽²⁾
AK	19%	0%	81%	1%	MT	20%	0%	80%	0%
AL	39%	0%	61%	2%	NC	35%	3%	61%	4%
AR	32%	0%	68%	1%	ND	0%	0%	100%	0%
AZ	46%	0%	54%	1%	NE	14%	0%	86%	1%
CA	46%	1%	54%	5%	NH	40%	0%	60%	1%
CO	33%	0%	67%	2%	NJ	27%	1%	71%	3%
CT	52%	0%	48%	1%	NM	19%	0%	81%	0%
DC	28%	0%	72%	0%	NV	46%	2%	52%	0%
DE	21%	0%	79%	0%	NY	39%	0%	61%	5%
FL	30%	2%	68%	4%	OH	25%	1%	73%	5%
GA	31%	2%	68%	3%	OK	26%	0%	74%	2%
HI	0%	0%	0%	0%	OR	26%	0%	74%	1%
IA	25%	0%	75%	1%	PA	39%	0%	61%	8%
ID	14%	0%	86%	0%	RI	43%	4%	52%	0%
IL	32%	0%	68%	5%	SC	24%	1%	76%	1%
IN	16%	2%	82%	5%	SD	39%	0%	61%	0%
KS	30%	0%	70%	1%	TN	52%	1%	47%	2%
KY	29%	1%	70%	1%	TX	27%	4%	69%	7%
LA	20%	0%	80%	2%	UT	17%	1%	82%	1%
MA	39%	0%	61%	2%	VA	33%	1%	66%	1%
MD	25%	0%	75%	2%	VT	24%	0%	76%	0%
ME	38%	0%	62%	1%	WA	3%	0%	97%	3%
MI	35%	3%	62%	2%	WI	31%	1%	68%	5%
MN	21%	0%	79%	1%	WV	25%	3%	73%	0%
MO	34%	0%	66%	3%	WY	18%	0%	82%	1%
MS	42%	0%	58%	2%	Unknown	0%	0%	0%	0%
Total	31%	1%	68%	100%					

(1) Policy type percentages represent percent of state total.

(2) Total percentages represent state's share of all policies written in 2013.

Totals by Industry

Table 4-A Policy Count by Standard Industrial Classification (SIC) CY 2013					
3-Digit SIC	SIC Description	Specific only ⁽¹⁾	Aggregate only ⁽¹⁾	Both Spec and Agg ⁽¹⁾	Total ⁽²⁾
025	Poultry and Eggs	60%	0%	40%	0.05%
124	Coal Mining Services	40%	0%	60%	0.05%
131	Crude Petroleum and Natural Gas	58%	0%	42%	0.32%
138	Oil and Gas Field Services	17%	9%	74%	0.48%
153	Operative Builders	44%	0%	56%	0.09%
154	Nonresidential Building Construction	19%	1%	80%	0.84%
161	Highway and Street Construction	23%	7%	70%	0.45%
162	Heavy Construction, Except Highway	20%	5%	76%	0.42%
171	Plumbing, Heating, and Air Conditioning	20%	0%	80%	0.65%
173	Electrical Work	20%	7%	73%	0.57%
179	Miscellaneous Special Trade Contractors	19%	3%	78%	0.38%
201	Meat Products	39%	0%	61%	0.39%
202	Dairy Products	36%	0%	64%	0.22%
203	Preserved Fruits and Vegetables	29%	0%	71%	0.32%
205	Bakery Products	29%	0%	71%	0.14%
208	Beverages	31%	0%	69%	0.36%
209	Miscellaneous Food and Kindred Products	26%	0%	74%	0.48%
232	Men's and Boys' Furnishings	50%	0%	50%	0.08%
243	Millwork, Plywood, and Structural Members	38%	0%	62%	0.26%
251	Household Furniture	38%	0%	62%	0.40%
262	Paper Mills	46%	0%	54%	0.13%
265	Paperboard Containers and Boxes	31%	0%	69%	0.26%
267	Miscellaneous Converted Paper Products	23%	0%	77%	0.44%
271	Newspapers	44%	0%	56%	0.42%
273	Books	57%	0%	43%	0.14%
281	Industrial Inorganic Chemicals	58%	0%	42%	0.19%
283	Drugs	35%	3%	61%	0.32%
289	Miscellaneous Chemical Products	38%	0%	62%	0.21%
291	Petroleum Refining	45%	0%	55%	0.11%
306	Fabricated Rubber Products, NEC	42%	0%	58%	0.24%
308	Misc. Plastic Products, NEC	19%	2%	79%	1.18%
325	Structural Clay Products	50%	0%	50%	0.08%
327	Concrete, Gypsum, and Plaster Products	21%	0%	79%	0.35%
329	Miscellaneous Nonmetallic Mineral Products	22%	0%	78%	0.09%
331	Blast Furnace and Basic Steel Products	45%	3%	53%	0.41%
333	Primary Nonferrous Metals	67%	0%	33%	0.06%
335	Nonferrous Rolling and Drawing	42%	0%	58%	0.32%
344	Fabricated Structural Metal Products	27%	2%	71%	1.05%
346	Metal Forgings and Stampings	27%	3%	70%	0.38%
349	Miscellaneous Fabricated Metal Products	27%	0%	73%	0.61%
352	Farm and Garden Machinery	20%	0%	80%	0.25%
353	Construction and Related Machinery	30%	2%	68%	0.58%

Table 4-A
Policy Count by Standard Industrial Classification (SIC)
CY 2013

3-Digit SIC	SIC Description	Specific only ⁽¹⁾	Aggregate only ⁽¹⁾	Both Spec and Agg ⁽¹⁾	Total ⁽²⁾
354	Metalworking Machinery	20%	3%	77%	0.70%
355	Special Industry Machinery	24%	0%	76%	0.39%
356	General Industrial Machinery	22%	2%	76%	0.55%
357	Computer and Office Equipment	37%	0%	63%	0.19%
358	Refrigeration and Service Machinery	12%	0%	88%	0.25%
359	Industrial Machinery, NEC	33%	0%	67%	0.47%
362	Electrical Industrial Apparatus	36%	0%	64%	0.22%
363	Household Appliances	44%	0%	56%	0.09%
364	Electric Lighting and Wiring Equipment	40%	0%	60%	0.15%
365	Household Audio and Video Equipment	38%	0%	62%	0.13%
367	Electronic Components and Accessories	45%	0%	55%	0.52%
369	Misc. Electrical Equipment and Supplies	29%	0%	71%	0.14%
371	Motor Vehicles and Equipment	38%	2%	61%	0.67%
372	Aircraft and Parts	26%	0%	74%	0.19%
373	Ship and Boat Building and Repairing	40%	0%	60%	0.15%
374	Railroad Equipment	67%	0%	33%	0.06%
379	Miscellaneous Transportation Equipment	15%	0%	85%	0.13%
382	Measuring and Controlling Devices	25%	0%	75%	0.37%
384	Medical Instruments and Supplies	36%	0%	64%	0.46%
395	Pens, Pencils, Office, and Art Supplies	25%	0%	75%	0.04%
399	Miscellaneous Manufactures	21%	6%	73%	0.82%
401	Railroads	60%	0%	40%	0.10%
411	Local and Suburban Transportation	10%	5%	86%	0.21%
421	Trucking and Courier Services, Except Air	28%	0%	72%	1.14%
422	Public Warehousing and Storage	30%	4%	67%	0.27%
451	Air Transportation, Scheduled	36%	0%	64%	0.11%
472	Passenger Transportation Arrangement	24%	0%	76%	0.17%
481	Telephone Communications	23%	0%	77%	0.44%
483	Radio and Television Broadcasting	38%	0%	63%	0.24%
484	Cable and Other Pay TV Services	36%	0%	64%	0.14%
489	Communications Services, NEC	25%	6%	69%	0.16%
491	Electric Services	38%	0%	62%	0.62%
492	Gas Production and Distribution	50%	0%	50%	0.20%
494	Water Supply	40%	0%	60%	0.20%
495	Sanitary Services	41%	0%	59%	0.27%
501	Motor Vehicles, Parts, and Supplies	36%	0%	64%	0.51%
503	Lumber and Construction Materials	24%	3%	73%	0.38%
504	Professional & Commercial Equipment	22%	8%	70%	0.51%
505	Metals and Minerals, Except Petroleum	36%	0%	64%	0.25%
506	Electrical Goods	22%	0%	78%	0.60%
507	Hardware, Plumbing, and Heating Equipment	23%	2%	75%	0.65%

Table 4-A
Policy Count by Standard Industrial Classification (SIC)
CY 2013

3-Digit SIC	SIC Description	Specific only ⁽¹⁾	Aggregate only ⁽¹⁾	Both Spec and Agg ⁽¹⁾	Total ⁽²⁾
508	Machinery, Equipment, and Supplies	24%	0%	76%	1.26%
509	Miscellaneous Durable Goods	13%	0%	88%	0.33%
511	Paper and Paper Products	16%	5%	79%	0.19%
512	Drugs, Proprietaries, and Sundries	53%	0%	47%	0.19%
513	Apparel, Piece Goods, and Notions	23%	0%	77%	0.22%
514	Groceries and Related Products	28%	0%	72%	0.80%
517	Petroleum and Petroleum Products	37%	4%	59%	0.27%
518	Beer, Wine, and Distilled Beverages	18%	0%	82%	0.46%
519	Misc. Nondurable Goods	23%	0%	77%	0.48%
521	Lumber and Other Building Materials	26%	3%	72%	0.40%
531	Department Stores	63%	0%	38%	0.08%
533	Variety Stores	67%	0%	33%	0.03%
541	Grocery Stores	25%	0%	75%	0.61%
551	New and Used Car Dealers	18%	0%	82%	1.12%
552	Used Car Dealers	33%	0%	67%	0.03%
553	Auto and Home Supply Stores	29%	0%	71%	0.14%
554	Gasoline Service Stations	54%	0%	46%	0.13%
562	Women's Clothing Stores	53%	0%	47%	0.17%
565	Family Clothing Stores	50%	0%	50%	0.04%
566	Shoe Stores	71%	0%	29%	0.07%
569	Miscellaneous Apparel and Accessory Stores	67%	0%	33%	0.03%
571	Furniture and Homefurnishings Stores	39%	0%	61%	0.23%
573	Radio, Television, and Computer Stores	17%	0%	83%	0.12%
581	Eating and Drinking Places	28%	1%	71%	1.00%
594	Miscellaneous Shopping Goods Stores	48%	0%	52%	0.21%
596	Nonstore Retailers	42%	0%	58%	0.19%
598	Fuel Dealers	44%	0%	56%	0.09%
599	Retail Stores, NEC	28%	0%	72%	0.29%
601	Central Reserve Depositories	45%	0%	55%	0.22%
602	Commercial Banks	16%	0%	84%	1.60%
603	Savings Institutions	20%	0%	80%	0.20%
606	Credit Unions	11%	0%	89%	0.54%
616	Mortgage Bankers and Brokers	21%	0%	79%	0.24%
621	Security Brokers and Dealers	25%	0%	75%	0.12%
628	Security and Commodity Services	30%	0%	70%	0.23%
631	Life Insurance	45%	0%	55%	0.11%
632	Medical Service and Health Insurance	50%	0%	50%	0.22%
633	Fire, Marine, and Casualty Insurance	53%	0%	47%	0.19%
636	Title Insurance	75%	0%	25%	0.04%

Table 4-A
Policy Count by Standard Industrial Classification (SIC)
CY 2013

3-Digit SIC	SIC Description	Specific only ⁽¹⁾	Aggregate only ⁽¹⁾	Both Spec and Agg ⁽¹⁾	Total ⁽²⁾
637	Pension, Health, and Welfare Funds	68%	0%	32%	0.25%
641	Insurance Agents, Brokers, and Service	28%	0%	72%	0.76%
651	Real Estate Operators and Lessors	23%	0%	77%	0.44%
653	Real Estate Agents and Managers	25%	0%	75%	0.41%
655	Subdividers and Developers	33%	0%	67%	0.24%
671	Holding Offices	36%	0%	64%	0.34%
672	Investment Offices	40%	0%	60%	0.05%
673	Trusts	57%	0%	43%	0.28%
679	Miscellaneous Investing	20%	0%	80%	0.20%
701	Hotels and Motels	33%	0%	67%	0.59%
721	Laundry, Cleaning, and Garment Services	25%	0%	75%	0.20%
724	Barber Shops	100%	0%	0%	0.01%
729	Miscellaneous Personal Services	56%	0%	44%	0.09%
731	Advertising	30%	0%	70%	0.20%
732	Credit Reporting and Collection	43%	0%	57%	0.07%
734	Services to Buildings	56%	0%	44%	0.18%
735	Miscellaneous Equipment Rental and Leasing	37%	3%	60%	0.31%
736	Personnel Supply Services	26%	6%	68%	0.32%
737	Computer and Data Processing Services	27%	0%	73%	1.56%
738	Miscellaneous Business Services	26%	1%	73%	1.04%
753	Automotive Repair Shops	37%	5%	58%	0.19%
754	Automotive Services, Except Repair	40%	0%	60%	0.05%
792	Producers, Orchestras, Entertainers	43%	0%	57%	0.07%
794	Commercial Sports	47%	0%	53%	0.17%
799	Miscellaneous Amusement, Recreation Services	36%	2%	62%	0.46%
801	Offices and Clinics of Medical Doctors	17%	2%	81%	2.87%
804	Offices of Other Health Practitioners	15%	0%	85%	0.26%
805	Nursing and Personal Care Facilities	30%	1%	69%	1.75%
806	Hospitals	59%	0%	41%	6.97%
807	Medical and Dental Laboratories	22%	0%	78%	0.27%
808	Home Health Care Services	20%	2%	77%	0.45%
809	Health and Allied Services, NEC	21%	2%	77%	1.08%
811	Legal Services	21%	1%	78%	0.79%
821	Elementary and Secondary Schools	38%	0%	62%	3.88%
822	Colleges and Universities	34%	1%	65%	1.98%
824	Vocational Schools	33%	0%	67%	0.09%
829	Schools & Educational Services, NEC	31%	7%	62%	0.46%
832	Individual and Family Services	17%	2%	81%	0.60%
833	Job Training and Related Services	16%	0%	84%	0.25%
835	Child Day Care Services	20%	0%	80%	0.10%
836	Residential Care	19%	0%	81%	0.44%
839	Social Services, NEC	12%	0%	88%	0.35%

**Table 4-A
Policy Count by Standard Industrial Classification (SIC)
CY 2013**

3-Digit SIC	SIC Description	Specific only ⁽¹⁾	Aggregate only ⁽¹⁾	Both Spec and Agg ⁽¹⁾	Total ⁽²⁾
861	Business Associations	50%	0%	50%	0.16%
863	Labor Organizations	67%	0%	33%	1.42%
864	Civic and Social Associations	21%	0%	79%	0.14%
866	Religious Organizations	39%	0%	61%	0.83%
871	Engineering and Architectural Services	22%	1%	77%	1.73%
872	Accounting, Auditing, and Bookkeeping	12%	3%	85%	0.34%
873	Research, Development, And Testing Services	28%	0%	72%	0.59%
874	Management and Public Relations	30%	0%	70%	2.14%
899	Services, NEC	13%	10%	77%	0.32%
911	Executive Offices	33%	0%	67%	4.57%
912	Legislative Bodies	31%	0%	69%	0.29%
913	Executive and Legislative Combined	18%	0%	82%	0.28%
919	General Government, NEC	20%	1%	78%	1.44%
922	Public Order and Safety	25%	1%	74%	1.10%
941	Administration of Educational Programs	50%	0%	50%	0.06%
999	Nonclassifiable Establishments	67%	0%	33%	0.03%
Unknown	Unknown	23%	0%	77%	0.36%
TOTAL (3)		31%	1%	68%	100%

- (1) Policy type percentages represent percent of SIC total.
- (2) Total percentages represent industry group's share of all policies written in 2013.
- (3) Industries shown represent just under 90% of total employers with stop loss

Deductibles by Group Size

Table 5.1-A									
Policy Count by Deductible and Group Size									
CY2013									
Group Size	Specific Deductible							Median Deductible	Average Deductible
	<\$25,000	\$25,000 - \$50,000	\$50,000 - \$75,000	\$75,000 - \$100,000	\$100,000 - \$150,000	\$150,000 - \$250,000	\$250,000 +		
<51	0.9%	5.2%	1.2%	0.3%	0.1%	0.1%	0.0%	\$30,000	\$39,000
51-100	0.2%	8.7%	5.2%	1.5%	0.5%	0.1%	0.0%	\$45,000	\$50,000
101-250	0.0%	4.1%	10.4%	6.7%	4.3%	1.2%	0.2%	\$70,000	\$75,000
251-500	0.0%	0.2%	1.9%	4.0%	6.8%	4.3%	0.6%	\$100,000	\$119,000
501-1000	0.0%	0.0%	0.1%	0.7%	3.4%	6.9%	1.9%	\$150,000	\$174,000
1001-5000	0.0%	0.0%	0.0%	0.1%	0.6%	5.4%	9.1%	\$250,000	\$281,000
>5000	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	2.6%	\$450,000	\$483,000
TOTAL	1.2%	18.3%	18.9%	13.2%	15.7%	18.2%	14.5%	\$85,000	\$132,000

* The sum of column values may not equal totals due to rounding

Table 5.2-A									
Policy Count by Deductible and Group Size									
CY2012									
Group Size	Specific Deductible							Median Deductible	Average Deductible
	<\$25,000	\$25,000 - \$50,000	\$50,000 - \$75,000	\$75,000 - \$100,000	\$100,000 - \$150,000	\$150,000 - \$250,000	\$250,000 +		
<51	0.8%	5.1%	1.2%	0.2%	0.1%	0.0%	0.0%	\$35,000	\$38,000
51-100	0.3%	9.1%	5.3%	1.4%	0.6%	0.1%	0.0%	\$45,000	\$50,000
101-250	0.1%	4.7%	11.0%	6.7%	4.0%	1.2%	0.2%	\$65,000	\$73,000
251-500	0.0%	0.2%	2.2%	4.3%	6.6%	3.8%	0.5%	\$100,000	\$115,000
501-1000	0.0%	0.0%	0.2%	0.8%	3.5%	6.5%	1.7%	\$150,000	\$167,000
1001-5000	0.0%	0.0%	0.0%	0.1%	0.8%	5.8%	8.3%	\$250,000	\$267,000
>5000	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	2.5%	\$400,000	\$455,000
TOTAL	1.2%	19.1%	19.8%	13.6%	15.6%	17.6%	13.2%	\$85,000	\$125,000

* The sum of column values may not equal totals due to rounding

Table 5.3-A									
Policy Count by Deductible and Group Size									
CY 2011									
Group Size	Specific Deductible							Median Deductible	Average Deductible
	<\$25,000	\$25,000 - \$50,000	\$50,000 - \$75,000	\$75,000 - \$100,000	\$100,000 - \$150,000	\$150,000 - \$250,000	\$250,000 +		
<51	1.0%	4.6%	0.9%	0.1%	0.1%	0.0%	0.0%	\$30,000	\$37,000
51-100	0.3%	9.5%	5.0%	1.3%	0.4%	0.1%	0.0%	\$40,000	\$47,000
101-250	0.1%	5.5%	11.0%	6.7%	3.9%	1.0%	0.1%	\$65,000	\$71,000
251-500	0.0%	0.2%	2.5%	4.3%	6.7%	3.5%	0.4%	\$100,000	\$111,000
501-1000	0.0%	0.0%	0.2%	0.9%	3.8%	6.4%	1.4%	\$150,000	\$163,000
1001-5000	0.0%	0.0%	0.0%	0.1%	0.8%	6.4%	7.9%	\$250,000	\$257,000
>5000	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	2.4%	\$400,000	\$445,000
TOTAL	1.5%	19.8%	19.6%	13.4%	15.7%	17.7%	12.3%	\$80,000	\$122,000

* The sum of column values may not equal totals due to rounding

Table 6.1					
Policy Count by Corridor and Group Size					
CY 2013					
Group Size	Aggregate Corridor				Total
	15% and below	16% - 20%	21% - 25%	Above 25%	
<51	0.8%	0.2%	9.0%	0.8%	10.8%
51-100	0.6%	0.6%	18.6%	0.6%	20.4%
101-250	0.5%	1.7%	29.9%	0.3%	32.4%
251-500	0.2%	1.2%	16.9%	0.2%	18.6%
501-1000	0.1%	1.1%	8.8%	0.3%	10.3%
1001-5000	0.1%	0.8%	5.9%	0.5%	7.2%
>5000	0.0%	0.0%	0.1%	0.1%	0.2%
TOTAL	2.3%	5.5%	89.2%	2.9%	100.0%

* The sum of column values may not equal totals due to rounding

Table 6.2					
Policy Count by Corridor and Group Size					
CY 2012					
Group Size	Aggregate Corridor				Total
	15% and below	16% - 20%	21% - 25%	Above 25%	
<51	0.3%	0.2%	8.2%	0.9%	9.6%
51-100	0.4%	0.5%	19.4%	0.8%	21.1%
101-250	0.4%	1.8%	31.2%	0.4%	33.8%
251-500	0.2%	1.4%	16.5%	0.3%	18.4%
501-1000	0.1%	1.0%	8.7%	0.3%	10.1%
1001-5000	0.0%	0.8%	5.4%	0.4%	6.7%
>5000	0.0%	0.0%	0.2%	0.1%	0.3%
TOTAL	1.4%	5.7%	89.7%	3.2%	100.0%

* The sum of column values may not equal totals due to rounding

Table 6.3					
Policy Count by Corridor and Group Size					
CY 2011					
Group Size	Aggregate Corridor				Total
	15% and below	16% - 20%	21% - 25%	Above 25%	
<51	0.1%	0.4%	7.3%	0.6%	8.4%
51-100	0.4%	0.7%	19.2%	0.8%	21.1%
101-250	0.5%	1.6%	31.9%	0.4%	34.4%
251-500	0.1%	1.4%	16.7%	0.3%	18.5%
501-1000	0.0%	0.8%	9.4%	0.2%	10.5%
1001-5000	0.1%	0.8%	5.6%	0.4%	6.8%
>5000	0.0%	0.0%	0.2%	0.1%	0.3%
TOTAL	1.2%	5.7%	90.2%	2.8%	100.0%

* The sum of column values may not equal totals due to rounding

Deductibles by State

Table 7-A										
Deductible Distribution by State - Policy Count (1)										
CY 2013										
State	Specific Deductible ⁽²⁾							Total Specific ⁽³⁾	Median Deductible	Average Deductible
	< \$25,000	\$25,000 - \$50,000	\$50,000 - \$75,000	\$75,000 - \$100,000	\$100,000 - \$150,000	\$150,000 - \$250,000	> \$250,000			
AK	0%	14%	18%	14%	15%	20%	19%	0.8%	100,000	149,000
AL	0%	17%	23%	19%	19%	14%	7%	1.9%	80,000	104,000
AR	NA	NA	NA	NA	NA	NA	NA	0.9%	NA	NA
AZ	0%	14%	11%	6%	23%	24%	21%	1.4%	125,000	167,000
CA	0%	5%	11%	10%	16%	30%	27%	4.7%	150,000	187,000
CO	2%	19%	17%	22%	10%	15%	15%	2.1%	75,000	131,000
CT	3%	15%	18%	5%	14%	18%	27%	1.1%	112,500	164,000
DC	0%	3%	21%	14%	17%	24%	21%	0.3%	125,000	167,000
DE	0%	8%	17%	13%	38%	17%	8%	0.2%	100,000	124,000
FL	1%	5%	11%	12%	14%	30%	27%	3.5%	150,000	191,000
GA	1%	22%	15%	14%	15%	19%	13%	2.7%	85,000	127,000
HI	NA	NA	NA	NA	NA	NA	NA	0.0%	NA	NA
IA	3%	29%	29%	18%	6%	8%	6%	1.2%	60,000	89,000
ID	0%	24%	24%	19%	16%	14%	3%	0.4%	75,000	85,000
IL	2%	21%	25%	13%	16%	13%	10%	4.8%	75,000	111,000
IN	NA	NA	NA	NA	NA	NA	NA	5.2%	NA	NA
KS	3%	23%	20%	17%	15%	12%	11%	1.0%	75,000	104,000
KY	2%	39%	22%	10%	11%	6%	10%	1.3%	50,000	99,000
LA	1%	17%	24%	17%	14%	17%	10%	1.8%	75,000	122,000
MA	0%	19%	13%	10%	21%	20%	16%	2.1%	112,500	143,000
MD	0%	13%	19%	15%	19%	17%	17%	2.3%	100,000	145,000
ME	2%	36%	21%	21%	5%	7%	8%	0.6%	60,000	85,000
MI	1%	27%	19%	10%	16%	15%	13%	1.9%	75,000	120,000
MN	0%	17%	26%	12%	18%	11%	16%	1.3%	80,000	132,000
MO	3%	20%	21%	14%	14%	14%	14%	2.7%	75,000	123,000
MS	NA	NA	NA	NA	NA	NA	NA	1.9%	NA	NA
MT	NA	NA	NA	NA	NA	NA	NA	0.4%	NA	NA
NC	1%	21%	22%	15%	15%	15%	11%	4.2%	80,000	115,000
ND	NA	NA	NA	NA	NA	NA	NA	0.1%	NA	NA
NE	1%	36%	23%	15%	11%	9%	5%	1.2%	60,000	87,000
NH	4%	18%	15%	15%	11%	15%	24%	0.6%	90,000	212,000
NJ	2%	12%	12%	10%	18%	26%	19%	2.8%	125,000	153,000
NM	3%	32%	29%	6%	13%	6%	10%	0.3%	60,000	102,000
NV	2%	17%	17%	11%	9%	23%	21%	0.5%	100,000	139,000
NY	0%	9%	12%	14%	14%	27%	23%	4.6%	150,000	158,000
OH	4%	29%	18%	11%	14%	13%	11%	5.4%	70,000	111,000

**Table 7-A
Deductible Distribution by State - Policy Count (1)
CY 2013**

State	Specific Deductible ⁽²⁾							Total Specific ⁽³⁾	Median Deductible	Average Deductible
	<\$25,000	\$25,000 - \$50,000	\$50,000 - \$75,000	\$75,000 - \$100,000	\$100,000 - \$150,000	\$150,000 - \$250,000	+			
OK	0%	26%	21%	12%	18%	15%	8%	1.6%	75,000	106,000
OR	0%	11%	19%	17%	20%	24%	9%	0.9%	100,000	126,000
PA	NA	NA	NA	NA	NA	NA	NA	7.6%	NA	NA
RI	0%	0%	18%	18%	14%	23%	27%	0.2%	145,000	182,000
SC	1%	26%	32%	14%	12%	11%	4%	1.4%	65,000	87,000
SD	0%	25%	36%	8%	8%	14%	8%	0.4%	60,000	96,000
TN	1%	11%	13%	15%	17%	24%	21%	1.5%	125,000	165,000
TX	2%	16%	21%	15%	16%	17%	13%	6.9%	80,000	126,000
UT	NA	NA	NA	NA	NA	NA	NA	1.0%	NA	NA
VA	0%	6%	15%	15%	16%	27%	20%	1.2%	125,000	185,000
VT	0%	41%	12%	6%	24%	18%	0%	0.2%	70,000	82,000
WA	0%	13%	15%	16%	23%	20%	12%	3.1%	100,000	128,000
WI	1%	27%	25%	14%	14%	10%	8%	4.6%	65,000	101,000
WV	5%	26%	18%	15%	8%	15%	13%	0.4%	75,000	113,000
WY	7%	33%	28%	11%	7%	10%	5%	0.6%	55,000	78,000
TOTAL (4)	1%	18%	19%	13%	16%	18%	14%	100%	\$90,000	\$124,000

(1) Data shown as "NA" for states with greater than 40% of policies issued by a single stop loss carrier

(2) Specific deductible percentages represent percent of state total.

(3) Total percentages represent state's share of all employees covered in 2013.

(4) Total aggregates all states, including those shown as "NA" in the table.

APPENDIX B – EXPECTED CLAIM COUNTS

This appendix provides estimates of expected claim counts under specific and aggregate stop-loss policies for selected deductibles/corridors. The values are provided to give the reader of this report a general understanding of claim frequencies. However, the calculation of these values requires many assumptions, the combination of which may or may not be appropriate when trying to estimate claim frequencies for a specific population.

Table 1-B shows the expected number of specific stop-loss claims per 1,000 covered adults, children, and employees, respectively, at various deductibles. These estimates are based on approximate nationwide average demographics and cost levels, including negotiated provider reimbursement discounts.

Table 1-B			
Illustrative Claim Frequencies Per 1,000			
Assumed Contract Effective - 1/1/2014			
Specific Deductible	Claim Frequencies Per 1,000		
	Adult	Child	Composite
20,000	99.66	29.35	156.97
35,000	56.26	14.26	87.15
50,000	36.99	8.77	56.91
75,000	21.87	4.88	33.45
100,000	15.18	3.39	23.22
150,000	8.10	1.92	12.46
200,000	5.25	1.31	8.12
250,000	3.54	0.98	5.54
500,000	0.93	0.36	1.52

Notes:

1. Adult frequency is the number of claims expected per 1,000 adults.
2. Child frequency is the number of claims expected per 1,000 children.
3. Composite frequency is the number of claims expected per 1,000 employees including claims from all dependents (i.e., spouses and children).

Table 2-B shows an estimate of the probability that an employer group will generate an aggregate stop-loss claim given employee count and aggregate corridor. These probabilities were developed under the assumption that the stop-loss carrier has properly estimated “expected” claims in the calculation of the aggregate attachment point).

Table 2-B							
Illustrative Aggregate Claim Probabilities							
Effective 1/1/2014							
Employees	Aggregate Corridor						
	10%	15%	20%	25%	30%	35%	50%
25	28.5%	22.0%	16.7%	12.3%	8.8%	6.2%	1.9%
50	28.2%	20.9%	14.9%	10.3%	6.9%	4.4%	1.0%
100	26.9%	19.0%	12.8%	8.2%	5.1%	3.0%	0.5%
250	22.5%	13.4%	7.3%	3.7%	1.7%	0.8%	0.0%
500	18.6%	9.2%	4.1%	1.6%	0.6%	0.2%	0.0%
1,000	13.2%	4.7%	1.3%	0.3%	0.1%	0.0%	0.0%
2,000	6.3%	1.0%	0.1%	0.0%	0.0%	0.0%	0.0%
5,000	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Note:

The probabilities in this table are dependent upon several underlying assumptions, including benefit design and underlying specific stop-loss deductible, if any. Changes to these assumptions would likely result in changes to the probabilities.