



## Frequently Asked

**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. 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 a 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 and oral chemotherapy drugs on an aggregated 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. Specialty drug coverage is only available for groups with 100 employees or more.

**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](http://www.rxreins.com). Alternately, we will mail, fax or email the RFQ form to you. Submissions may be emailed to [stoploss@rxreins.com](mailto:stoploss@rxreins.com).



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**Q. What is required to underwrite a case?**

- A.** Request for Quote form, claim data file, or 12 months of claims and enrollment data broken out by month, and a Top 25 Drugs by Cost Report.

**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 quote
  2. Signed Stop Loss application
  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 for those claims “incurred and paid” during the contract period that 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<sup>th</sup>. Monthly enrollment and paid claims reports are required by the carrier and are utilized in calculating 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)