



**TOKIO MARINE**  
**HCC**

HCC Life Insurance Company Operating as Tokio Marine HCC – Stop Loss Group

# Custom Benchmarking and New Business Proposal

Prepared for:  
Montgomery County-NY

Presented by:  
MVP Healthcare

Tokio Marine HCC - Stop Loss Group  
A member of the Tokio Marine HCC Group of Companies  
TMHCC1093 09/2022

Visit us online at [tmhcc.com/life](http://tmhcc.com/life)

# We Will be There for You

Montgomery County-NY  
Proposal Effective 01/01/2023

20 Park Street 2nd Floor | Fonda, NY 12068

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2022 continued to show the complexity and ever-changing landscape of the stop loss market. For example, the two most severe diagnoses in the past year are diseases that are treatable with specialty drugs or gene therapies, which highlights the impact that these high-cost treatments are having on our industry. And while \$1 million+ claims continue to grow, \$2 million+ claims are becoming more commonplace as well, and may become the new definition of “catastrophic” going forward. With higher general inflation expected to impact medical inflation, the continued impact of COVID-19, and the expected increase in FDA approvals of gene and cell therapies, stop loss insurance continues to be paramount to the responsible management of a plan sponsor’s self-funded plan.

AtTokio Marine HCC - Stop Loss Group (TMHCC), we have been helping protect self-funded plan sponsors from catastrophic claim events for over 45 years! Whether it be specific coverage for high cost claimants, or aggregate coverage for abnormally high claims across the entire plan, TMHCC will be there in your time of need.

We are also continuing to offer cost and program management solutions to our customers, including: our fully insured organ transplant product; air ambulance expense management via our sister company, On Call International; and through our partnership with Emerging Therapy Solutions®, best-in-class solutions for managing the cost of high-dollar, complex medical conditions and treatments such as cell and gene therapies, Ventricular Assist Devices (VAD), hemophilia, and congenital heart disease. We have also launched a Level Funded Stop Loss product, and introduced Simple. Secure. Smart. Because Service Matters™ (S3), an administrative solution with partner TPAs and brokers to ease the administrative burden of your stop loss claim submission process.

Montgomery County-NY, the attached proposal has been created especially for you. We appreciate the opportunity to become your Stop Loss Insurance partner. We take this responsibility quite seriously, and we promise to be there for you when

Should you have any questions about this proposal, TMHCC, or any other aspect of our business, please contact me or your marketing representative at your earliest convenience.

Jeff Hitchins  
Underwriter

# About Tokio Marine HCC - Stop Loss Group



**TOKIOMARINE**  
**HCC**

## Financial Strength

Rated A++ (Superior) from A.M. Best Company and AA- (Very Strong) ratings from Standard & Poor's and Fitch, Tokio Marine HCC – Stop Loss Group is backed by the financial stability of its parent company, Tokio Marine HCC, a specialty insurance group headquartered in Houston, TX, transacting business in over 180 countries with more than 100 classes of insurance.

## Experience

HCC Life Insurance Company, operating as Tokio Marine HCC - Stop Loss Group, has been reducing risks while helping to control healthcare costs for employers and self-funded plans for more than 45 years.

## Regional Commitment

Four regional offices have been strategically placed throughout the United States to meet the unique needs of each geographical area. Each region manages their own underwriting and marketing services, and reports to our executive management team in our Kennesaw, GA headquarters.

## Accountability

Our producers have direct access to TMHCC's decision-making personnel in all functional areas, including executive management. When problems arise, every staff member is committed to prompt and thorough issue resolution.

## Support

TMHCC is backed by the financial resources of its international parent company, Tokio Marine Holdings, Inc., which is a global insurance carrier. A Fortune 500 company headquartered in Japan, Tokio Marine has over \$52 billion in annual revenue.

## Focus

TMHCC's stop loss product portfolio is focused solely on managing the financial impact of catastrophic claims on a policyholder's self-funded medical plan. Our portfolio includes stop loss, organ transplant, Taft-Hartley, level funded stop loss and captive solutions.

## Stability

At \$1.8 billion in annual premium, we are one of the largest direct writers of stop loss in the US. We are responsible for all underwriting, claims, and administrative decisions.

## Claim Management

Value-added services available to policyholders provide cost containment programs to help reduce claim costs in areas such as neonatal care, oncology, dialysis, transplants, and air ambulance transports.

## Partnership

We keep our producers and policyholders updated with industry news and product promotions. We listen to our customers and use their feedback to generate innovative product enhancements. Our paperless, online Licensing and Appointment process takes only minutes to complete.



# Custom Benchmarking Data

## Montgomery County-NY

Tokio Marine HCC - Stop Loss Group is one of the largest direct writers of stop loss in the country. With our experience, we have created one of the industry's largest databases of stop loss statistics. In an effort to help you make an informed decision, we are including the benchmarking metrics for your consideration.



	Montgomery County-NY	Employee Size 300 to 399	Industry Public Administration	State New York
<b>Average Number of Employees</b>	301	346	851	748
<b>Average Age of Employees</b>	50	45	42	43
<b>Male/Female Employee Split</b>	40/60	62/38	55/45	54/46
<b>Average Specific Deductible*</b>	\$350,000	\$140,000	\$170,000	\$170,000
<b>Expected Number of Stop Loss Claims</b>	0.8			
<b>Probability of Having an Organ Transplant</b>	<i>In 1 Year</i>	18%		
	<i>In 5 Years</i>	63%		

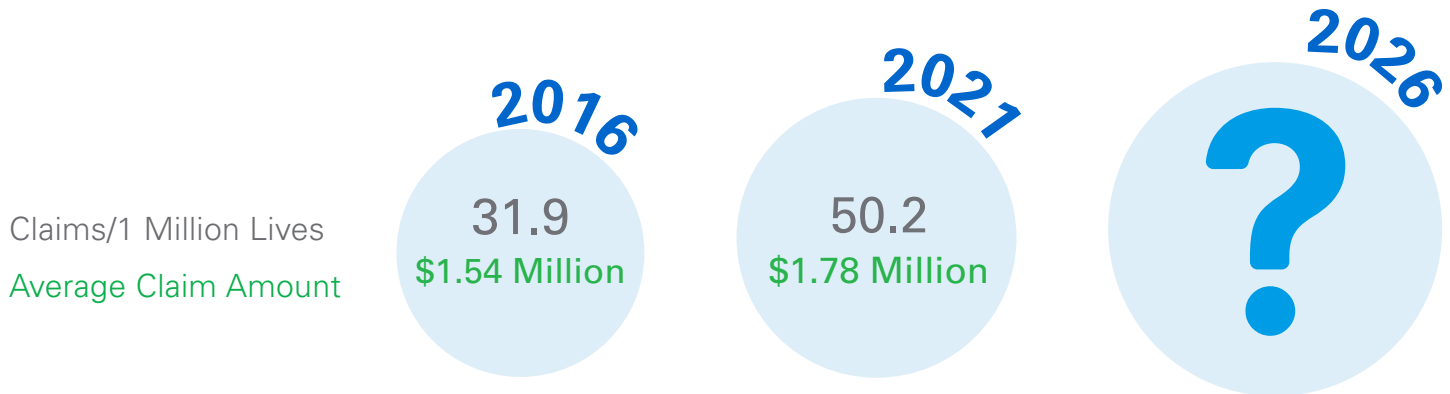
\*Current specific deductible for Montgomery County-NY is shown.



# Custom Benchmarking Data

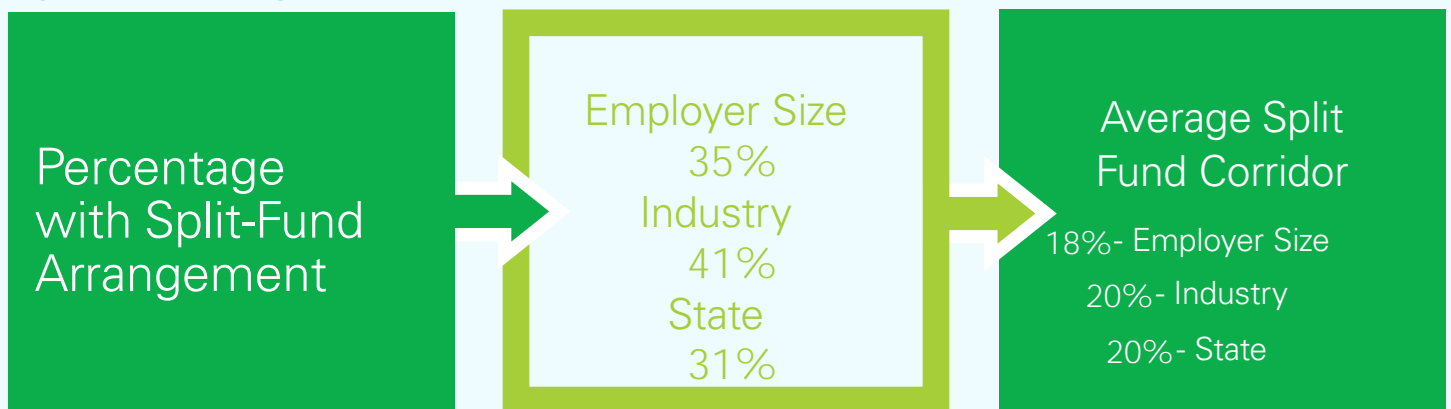
Montgomery County-NY

\$1 Million+ Claim Experience (TMHCC Book of Business)

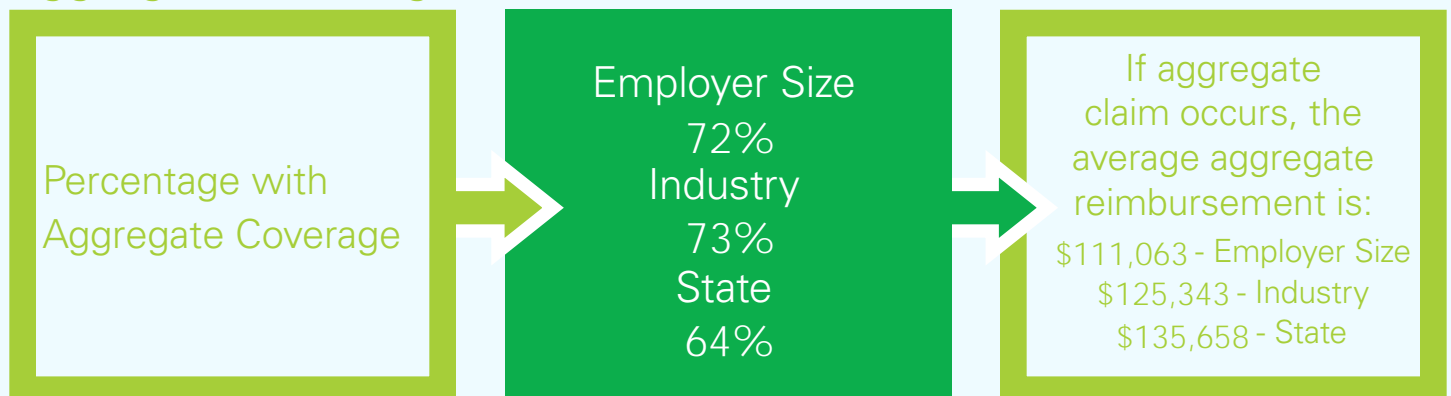


Our \$1 million+ claim costs more than doubled in the past five years.  
*What will happen in the next five years?*

## Split-Funding



## Aggregate Coverage





# Custom Benchmarking Data

Specific Stop Loss

Montgomery County-NY

Claims Above \$75,000	300 to 399	Public Administration	New York
Percentage that have a claim	94%	80%	76%
Average number of claims	5.2	3.2	3.0
Average specific reimbursement	\$81,995	\$80,978	\$81,388

Claims Above \$125,000	300 to 399	Public Administration	New York
Percentage that have a claim	84%	64%	59%
Average number of claims	2.7	1.7	1.6
Average specific reimbursement	\$111,421	\$123,124	\$120,971

Claims Above \$175,000	300 to 399	Public Administration	New York
Percentage that have a claim	71%	56%	56%
Average number of claims	1.6	1.4	1.4
Average specific reimbursement	\$144,266	\$142,014	\$137,498

Claims Above \$1,000,000	300 to 399	Public Administration	New York
Percentage that have a claim	4%	4%	5%
Average number of claims	0.0	0.0	0.1
Average specific reimbursement	\$469,725	\$416,720	\$289,975

This report was prepared by TMHCC exclusively for the use or benefit of this Proposal for a specific and limited purpose. Any third party recipient of this report who desires professional guidance should not rely upon TMHCC's report, but should engage qualified professionals for advice to its own specific needs.

# TMHCC's Customized Products & Services

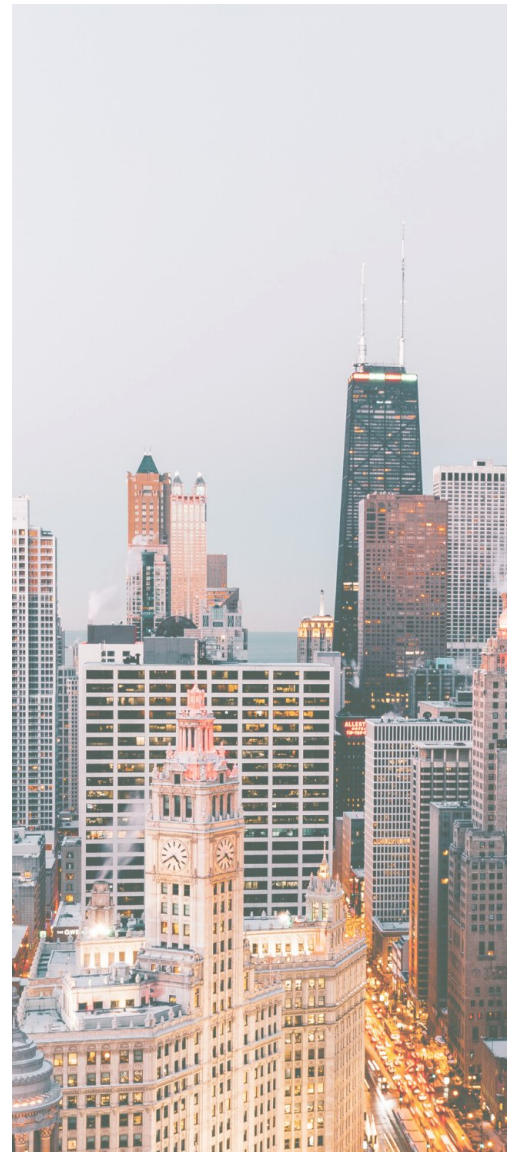
Montgomery County-NY

**We customized this proposal to match your needs with our products and services.**

- Specific (individual) coverage
- Aggregate (group) coverage
- Flexible contract terms

## **Coverage Options:**

- Terminal Liability
- Split-Funded (Aggregating Specific) Arrangements
- Incurred Contract
- Aggregate Accommodation
- Unlimited Annual Maximums
- Contract Advantage Plan
- Family Deductible
- No Gap 12/15 Contract



Every proposal includes these value-added features:

- **Straightforward Contract** - Incorporates the employer's plan document
- **Qualified Clinical Trials** - Incorporates the Plan requirements related to the ACA payments for clinical trials
- **IRO** - Reimburses plan claim denials overturned by an Independent Review Organization determination
- **Simultaneous Funding**
- **Specialty Claim Unit (SCU) and Preliminary Claim Unit (PCU)** - The SCU and PCU teams assist policyholders with managing large claims, such as transplants and premature births, and help policyholders directly control costs to their plans
- **On Call** - Air Ambulance expense management
- **Emerging Therapy Solutions®** - Cost management of high-dollar complex medical events, including gene and cell therapy treatments

# Highlighted Features

## Simple. Secure. Smart. Because Service Matters™

- New service center initiative allowing TMHCC to offer quick and efficient stop loss interactions with participating TPAs and brokers
- Foundational component is our first dollar claim database - allows all claims to be sent from participating TPAs to TMHCC for review and reimbursement by our dedicated staff
- Timely filing is no longer a concern, as TMHCC will automatically “file” the stop loss reimbursement request when a claimant penetrates the specific deductible threshold
- TPA gains operational efficiency and may reduce potential E&O liability
- TPA will look more like a single payer and more competitive in the marketplace

## Organ Transplant Product\*:

We offer a stand-alone, fully-insured, first dollar product that “carves out” the organ transplant (OT) costs from the medical plan for self-funded groups:\*

- Covers 100% of in-network transplant related expenses
- Discount to stop loss rates for carving out OT coverage
- Avoids lasers and rate increases on the stop loss policy associated with transplant exposure
- Includes up to \$15,000 for travel and \$5,000 to patient post-transplant
- Patient is assigned a Transplant Nurse Advisor who assists the patient and their family throughout the entire transplant process

## Emerging Therapy Solutions Cost Management Services

Emerging Therapy Solutions® (ETS) helps our policyholders manage the clinical and financial risk of their member’s complex care events:

- Best in class cell and gene therapy solutions, including the availability of step-down stop loss deductible for gene therapies for using ETS’ designated Programs of Experience - medical centers with meaningful difference in experience for cell and gene therapy treatments
- Highly specialized treatment referral support for transplant, congenital heart disease, specialty drugs, oncology, and specialty contracting
- Access to over 100 leading medical facilities and providers nationwide and over 1,000 programs
- Through the ETS Programs of Excellence model for solid organ and bone marrow transplants and ETS’ Programs of Experience designation for chimeric antigen receptor (CAR) T-cell and gene therapies, ETS identifies and contracts with clinics and hospitals that deliver quality, cost-effective care to maximize impact
- Contracting methodology to help minimize risk and protect our policyholder’s financial resources
- Claims repricing, with claims monitored from beginning through completion of care

*\*Not available in all states.*

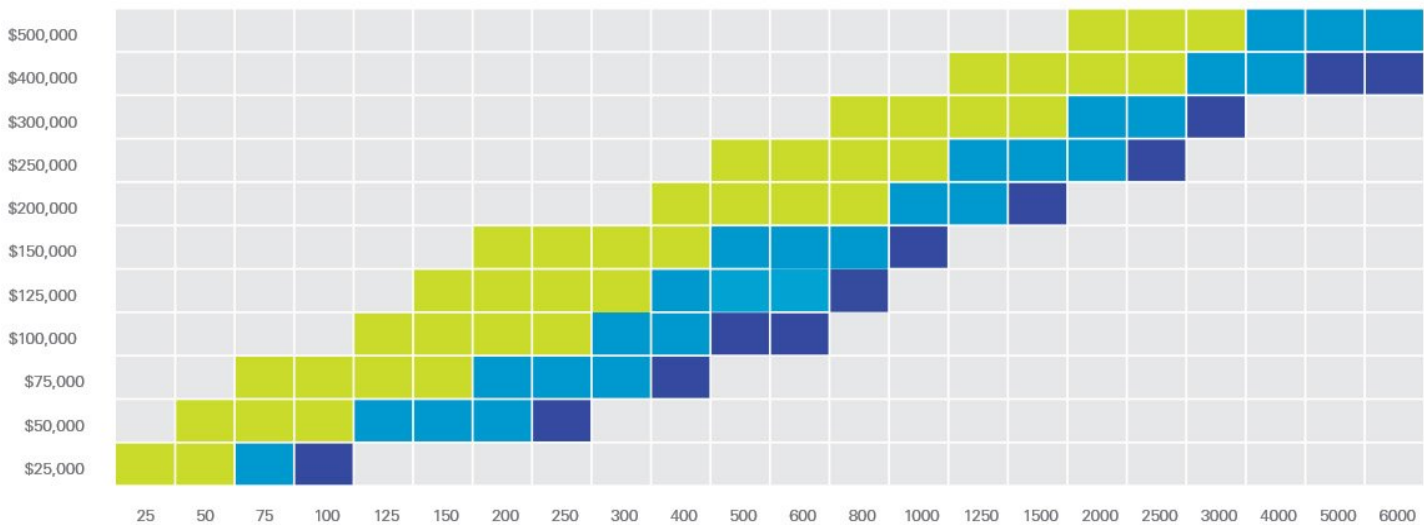


# Specific Deductible Thresholds

## Expected Claims Frequency

One of the key questions our producers often ask us each year is for our suggestion on where the specific deductible threshold should be set. While this depends on a number of variables – the size of the group, the risk tolerance of the client and the profit margins of their business, to name a few – we do believe there are reasonable ranges that most groups will fall into, based on the expected frequency of claims. Too many expected claims equates to higher premiums, and points towards the specific deductible being set too low. Too few claims indicates that the specific deductible could be set too high. This may put the client in too risky of a position if several large claims occur below this deductible threshold.

The following table, which is developed from our recent claims experience, illustrates suggested specific deductible ranges based on one of the key variables - group size. Because of leveraged trend, employers should always plan to increase their specific deductible levels over time.



Outside advisable range (under 2 claims, over 12 claims)



Acceptable risk options (6-8 claims)



Optimal risk options (2-5 claims)



Risky options (9-12 claims)



TOKIO MARINE  
HCC



# New Business Proposal

for Montgomery County-NY





**TOKIO MARINE  
HCC**

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Wakefield, MA 01880  
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Facsimile: (781) 245-1042

Underwriter:  
Jeff Hitchins  
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Marketing Representative:  
Christopher Phalen  
cphalen@tmhcc.com

Stop Loss Proposal for: Montgomery County-NY

Effective Dates: 01/01/2023 – 12/31/2023

Quoted for: MVP Healthcare

Proposal Number: 3-1253650

FIRM PENDING DISCLOSURE

## INDIVIDUAL STOP LOSS COVERAGE

Plan Description		Option 1	Option 2	Option 3
Coverages		Medical, Rx Card	Medical, Rx Card	Medical, Rx Card
Annual Specific Deductible per Individual		\$ 350,000	\$ 365,000	\$ 375,000
Contract Basis		24/12	24/12	24/12
Lifetime Reimbursement		Unlimited	Unlimited	Unlimited
Maximum Contract Period Reimbursement		Unlimited	Unlimited	Unlimited
Rate(s) Per Month	Enrollment			
Single	135	\$ 20.78	\$ 19.49	\$ 18.62
Family	166	\$ 80.32	\$ 75.83	\$ 72.81
Composite	301	\$ 53.61	\$ 50.56	\$ 48.50
Estimated Contract Period Premium		\$ 193,661	\$ 182,627	\$ 175,202
Rate(s) include Commission of		20.00 %	20.00 %	20.00 %

## OVERALL COST SUMMARY

Plan Description		Option 1	Option 2	Option 3
Total Annual Fixed Cost		\$ 193,661	\$ 182,627	\$ 175,202
Maximum Annual Liability		\$ 193,661	\$ 182,627	\$ 175,202



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## PROPOSAL QUALIFICATIONS AND CONTINGENCIES

Quoted terms and conditions are subject to possible revision based upon the receipt and review of the following items:

- Paid claims experience to the effective date including monthly enrollment figures.
- Updated shock loss information to the date HCC Life Insurance Company has been notified that the proposal has been accepted by the group. Shock loss information should include injuries, illnesses, diseases, diagnoses, or other losses of the type, which are reasonably likely to result in a significant medical expense claim or disability, regardless of current claim dollar amount. In addition, shock loss information should include any claimant that has incurred claim dollars in excess of \$ 175,000, regardless of diagnosis. Information is also needed on any claims processed and unpaid, pending or denied for any reason. Please refer to our Trigger Diagnosis Disclosure List, which provides examples of some, but not all, types of shock losses.
- We will accept final shock loss disclosure no earlier than 30 days prior to the effective date.
- Please see the attached exhibit for plan document assumptions and requirements.
- Should a large claim(s) (non-reoccurring and/or ongoing) become known and the initial date of service is prior to the date of written acceptance by HCC Life Insurance Company, we reserve the right to re-underwrite the case.
- In the event there is a greater than 10% change in enrollment between the submitted initial enrollment data and the final enrollment data, rates and factors may be recalculated.
- Minimum participation level of 75% of all eligible employees is required.
- Our proposal includes Simultaneous Funding on Specific reimbursements.
- Rates and Factors are calculated with the plan anniversary date and the Policy effective date as the same date. Should the plan anniversary date and the stop loss policy effective date be different we reserve the right to modify our rates, factors and terms of coverage to accommodate for additional liabilities incurred by the plan due to state and/or federal mandates during the stop loss contract period.
- Quote rated with retirees covered. Quote rated with no COBRAs being covered based on the census information provided.
- Quote Rated with the following UR Vendors: MVP Healthcare.
- Quote Rated with the following Cost Containment Program(s): MVP Health Plan, First Health.

**Claim disclosure information provided to date for this account has been reviewed and no further information is needed. Rates effective 01/01/2023 are firm and final if acceptance by 11/21/2022. If acceptance is not provided by this date, updated disclosure information will be needed to finalize.**





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Initial the selected proposal option (please initial both the selected Specific and Aggregate option):

Option	Specific	Aggregate
1	\$ 350,000 / 24/12	
2	\$ 365,000 / 24/12	
3	\$ 375,000 / 24/12	

The Premium and Aggregate Deductibles are based on the data submitted. Any inaccurate or incomplete data submitted may require changes at final underwriting. We will not be bound by any typographical errors or omissions contained herein.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Agent of Record or Administrator

This proposal expires if applications are not requested before the valid through date.

## Plan Document Assumptions

This proposal for stop loss coverage assumes the Plan Sponsor's plan document includes certain standard clauses, exclusions and limitations. These exclusions and limitations include, but are not limited to the following:

1. **Eligibility, Effective Date, and Enrollment Date** provisions, which include definitions of eligible employees (including definitions of full-time and part-time), dependents, and retirees, if applicable.
2. **Termination Provisions** which clearly define when eligibility and benefits cease. The Termination Provisions should include specific wording regarding extension of coverage (also known as "extension of active service") during a period of inactive service due to disability, layoff or leave of absence. The plan should include COBRA wording consistent with federal requirements.
3. **Transplant** benefit wording that identifies any benefits applicable to the donor (particularly the non-participating donor), the recipient, organ procurement, and any covered transportation, lodging and companion charges.
4. The Plan is expected to contain provisions that preserve its ability to seek a right of recovery, to recover funds via subrogation, to enforce coordination of benefit clauses with other plans and where able, to be secondary to Medicare and other public programs (subject to the Plan's compliance with Medicare Secondary Payer rules).
5. Exclude expenses resulting from losses which are due to any act of war, whether declared or not.
6. Exclude expenses for any injury or illness arising out of or in the course of any occupation or employment for wage or profit.
7. Exclude expenses related to Alternative Treatment, except when deemed both medically necessary and cost effective when compared to a normal course of treatment.
8. All HCC Life policies contain an Experimental and Investigative definition and exclusion along with coverage requirements for clinical trials that complies with the Affordable Care Act (ACA).

## HCC LIFE INSURANCE COMPANY DISCLOSURE/TRIGGER DIAGNOSIS

**Full Legal Name of Applicant/Name Insured** \_\_\_\_\_

This form must be completed by the named insured (Employer) and returned to HCC Life Insurance Company within 5 days of completion by the named insured. Should we require any additional information in order to evaluate this disclosure statement, we will respond in writing with any additional information necessary to complete our review. Upon receipt of the completed disclosure, the Company will assess all data, new and previously reported, and will inform the producer in writing within (5) working days of any changes to the rates, factors of terms of coverage.

Please answer each question below. If the answer is yes to any part, please provide details below or attach another sheet, if necessary.

"Participant" means any eligible employee, COBRA participant, retiree or their dependents.

1.- Have claims on any participant during the last 12 months been incurred and/ or paid in excess of 50% of the specific deductible or \$25,000 (whichever is less)? ☐ Yes ☐ No (If Yes, please list)

2.- Are any participants currently, or have they been in the past 30 days, confined to a hospital or other medical facility on multiple occasions or for three (3) or more consecutive days? ☐ Yes ☐ No (If Yes, please list)

3.- Are there currently any dependent children over the normal termination age covered by the plan under a disabled or handicapped child extension provision? ☐ Yes ☐ No (If Yes, please list)

4.- Other than the individuals already listed, are there other known potential shock loss claims? (potential catastrophic claims means any claimants expected to incur claims that may reasonably be assumed will exceed 50% of specific deductible in the next plan year) Shock losses are defined on the second page along with a **"Trigger" Listing** (The **Trigger Diagnosis List** is intended to assist the Named Insured in their disclosure review ☐ Yes ☐ No (If Yes, please list)

Last Name, First	Diagnosis/Prognosis	Mo./Yr. 1 <sup>st</sup> day for Treatment	Last 12 Months Paid Claims Amount	Pended/Denied Claims Amount
1.				
2.				
3.				
4.				

5.- Are there any participants who are expected to be absent from work due to disability on the effective date of the Stop Loss Policy Coverage? ☐ Yes ☐ No (If Yes, please list)

6.- Have any participants been absent from work due to disability (sick time, Family Medical Leave, or scheduled Leave of Absence) during the past 30 days? (In case of a dependent or COBRA participant, is by disability unable to perform his or her normal functions of a person of like sex and age.) ☐ Yes ☐ No

Disabled Lives	Status/Reason for Disability
1.	
2.	
3.	

7.- Are any participants covered under COBRA, or COBRA eligible? ☐ Yes ☐ No

COBRA Participants	Qualifying Event and COBRA Start Date
1.	
2.	
3.	

8.- If the plan is fully insured currently, does the prior carrier provide extended benefits for disabled employees and/or their dependents? ☐ Yes ☐ No ☐ N/A

*After diligent review, we hereby represent and warrant that the above list is complete and accurate to the best of our knowledge and belief, and that nothing has been intentionally omitted. In addition, should HCC Life Insurance Company require additional medical information on any individual disclosed above, we agree to provide access to this information so that HCC Life Insurance Company may evaluate the risk and provide final terms. We also acknowledge that furnishing false written information concerning their insurance; or the suppression, withholding or misstating of material facts, or failure to return this required document within the specified time frame may result in the stop loss contract being revised or in a rescission of the contract, at the election of the carrier.*

\_\_\_\_\_  
Named Insured (Employer)  
Officer Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Agent Signature

\_\_\_\_\_  
Date



## ICD Trigger List

### Suggested Categories and Guidelines for Identifying Potential Catastrophic Claims

The ICD-10 codes and diagnoses listed below are key indicators of potential catastrophic claims. Codes should be referred and or disclosed to Tokio Marine HCC – Stop Loss Group.

<b><u>A00-B99</u></b>	<b><u>Certain infectious and parasitic disease</u></b>	I20-I25	Ischemic heart diseases
A40	Streptococcal sepsis	I27	Other pulmonary heart disease
A41	Other sepsis	I28	Other diseases of pulmonary vessels
B15-B19	Viral hepatitis	I30-I52	Other forms of heart disease
<b><u>C00-D49</u></b>	<b><u>Neoplasms</u></b>	I60-I61	Subarachnoid hemorrhage / Intercerebral hemorrhage
C00-C96	Malignant neoplasms	I63	Cerebral infarction
D3A	Benign neuroendocrine tumors	I65.8-I66	Occlusion of precerebral /cerebral arteries
D42-D43	Neoplasm of uncertain behavior of meninges, brain & central nervous system	I67	Other cerebrovascular disease
D46	Myelodysplastic syndromes	I70	Atherosclerosis
<b><u>D50-D89</u></b>	<b><u>Diseases of the blood/blood-forming organs &amp; disorders involving the immune mechanism</u></b>	I71	Aortic aneurysm & dissection
D55-D59	Hemolytic anemias	I81	Portal vein thrombosis
D60-D64	Aplastic and other anemias	I85	Esophageal varices
D65-D69	Coagulation defects, purpura and other hemorrhagic conditions	<b><u>J00-J99</u></b>	<b><u>Diseases of the respiratory system</u></b>
D70-D77	Other diseases of blood and blood-forming organs	J40-J44	Chronic Obstructive Pulmonary Disease (COPD)
D80-D89	Certain disorders involving the immune mechanism	J84	Other interstitial pulmonary diseases
<b><u>E00-E89</u></b>	<b><u>Endocrine, nutritional and metabolic diseases</u></b>	J98	Other respiratory disorders
E23.0	Hypopituitarism	<b><u>K00-K95</u></b>	<b><u>Diseases of digestive system</u></b>
E30	Disorders of puberty, not elsewhere classified	K50	Crohn's disease
E34	Other endocrine disorders	K51	Ulcerative colitis
E70-E89	Metabolic disorders	K70-K77	Diseases of liver
<b><u>G00-G99</u></b>	<b><u>Diseases of the nervous system</u></b>	K83	Diseases of biliary tract
G00-G09	Inflammatory diseases of the central nervous system	K85-K86	Diseases of pancreatitis
G10-G13	Systemic atrophies primarily affecting the CNS	<b><u>L00-L99</u></b>	<b><u>Diseases of the skin &amp; subcutaneous tissue</u></b>
G35	Multiple sclerosis	L40	Psoriasis
G36	Other acute disseminated demyelination	L51	Erythema multiforme
G37	Other demyelinating disease of central nervous system	<b><u>M00-M99</u></b>	<b><u>Diseases of musculoskeletal system &amp; connective tissue</u></b>
G47.4	Narcolepsy and cataplexy	M05-M06	Rheumatoid arthritis
G61	Inflammatory polyneuropathy	M1A	Chronic gout
G70	Myasthenia gravis & other myoneural disorders	M10.0	Idiopathic gout
G71	Primary disorders of muscles	M15-M19	Osteoarthritis
G73.1	Lambert-Eaton syndrome in neoplastic disease	M30-M35	Systemic connective tissue disorders
G93.1	Anoxic brain injury	M41	Scoliosis
<b><u>H00-H59</u></b>	<b><u>Diseases of the eye and adnexa</u></b>	M43	Spondylolysis
H35.5	Hereditary retinal dystrophy	M50	Cervical disc disorders
H35.50	Unspecified hereditary retinal dystrophy	M51	Thoracic, thoracolumbar & lumbosacral intervertebral disc disorders
<b><u>I00-I99</u></b>	<b><u>Diseases of circulatory system</u></b>	M72.6	Necrotizing fasciitis
I12	Hypertensive chronic kidney disease	M86	Osteomyelitis
I13	Hypertensive heart and chronic kidney disease	<b><u>N00-N99</u></b>	<b><u>Diseases of the genitourinary system</u></b>
		N01	Rapidly progressive nephritic syndrome
		N03	Chronic nephritic syndrome
		N04	Nephrotic syndrome
		N05-N07	Nephritis and nephropathy
		N08	Glomerular disorders classified elsewhere

N17	Acute kidney failure	S22.0	Fracture of thoracic vertebra
N18	Chronic Kidney Disease (CKD)	S24	Injury of nerves and spinal cord at thorax level
N19	Renal failure, Unspecified	S25	Injury of blood vessels of thorax
		S26	Injury of heart
<b><u>O00-O09A</u></b>	<b><u>Pregnancy, childbirth and the puerperium</u></b>	S32.0	Fracture of lumbar vertebra
O09	Supervision of high risk pregnancy	S34	Injury of lumbar and sacral spinal cord and nerves
O10-O16	Edema, proteinuria and hypertensive disorders in pregnancy, childbirth and the puerperium	S35	Injury of blood vessels at abdomen, lower back and pelvis
O30-O48	Maternal care related to the fetus and amniotic cavity and possible delivery problems	S36-S37	Injury of intra-abdominal organs
O60.1	Preterm labor with preterm delivery	S48	Traumatic amputation of shoulder and upper arm
O69	Labor and delivery complicated by umbilical cord complications	S58	Traumatic amputation of elbow and forearm
		S68.4-S68.7	Traumatic amputation of hand at wrist level
<b><u>P00-P96</u></b>	<b><u>Certain conditions originating in the perinatal period</u></b>	S78	Traumatic amputation of hip and thigh
P07	Disorders of newborn related to short gestation and low birth weight	S88	Traumatic amputation of lower leg
P10- P15	Birth trauma	S98	Traumatic amputation of ankle and foot
P19-P29	Respiratory & cardiovascular disorders specific to the perinatal period	T30-T32	Burns and corrosions of multiple body regions
P36	Bacterial sepsis of newborn	T78.3	Angioneurotic Edema
P52-P53	Intracranial hemorrhage of newborn	T81.11-T81.12	Postprocedural cardiogenic and septic shock
P56	Hydrops fetalis due to hemolytic disease	T82	Complications of cardiac and vascular prosthetic devices, implants and grafts
P77	Necrotizing enterocolitis of newborn	T83-T85	Complications of prosthetic devices, implants and grafts
P91	Other disturbances of cerebral status newborn	T86	Complications of transplanted organs and tissue
		T87	Complications to reattachment and amputation
<b><u>Q00-Q99</u></b>	<b><u>Congenital malformations, deformations and chromosomal abnormalities</u></b>	<b><u>U00-U85</u></b>	<b><u>Codes for special purposes</u></b>
Q00-Q07	Congenital malformations of the nervous system	U07.1	COVID-19
Q20-Q28	Congenital malformations of the circulatory system	<b><u>Z00-Z99</u></b>	<b><u>Factors influencing health status and contact with health services</u></b>
Q41-Q45	Congenital anomalies of digestive system	Z37.5-Z37.6	Multiple births
Q60	Renal agenesis and other reduction defects of kidney	Z38.3-Z38.8	Multiple births
Q79	Congenital malformations of the musculoskeletal system	Z48.2-Z48.298	Encounter for aftercare following organ transplant
Q85	Phakomatoses, not classified elsewhere	Z49	Encounter for care involving renal dialysis
Q87	Congenital malformation syndromes affecting multiple systems	Z51.0	Encounter for antineoplastic radiation therapy
Q89	Other congenital malformations	Z51.1	Encounter for antineoplastic chemotherapy and immunotherapy
<b><u>R00-R99</u></b>	<b><u>Symptoms, signs and abnormal clinical and laboratory findings, not elsewhere classified</u></b>	Z92.85	Personal history of CAR T-cell therapy
R18	Ascites	Z92.86	Personal history of gene therapy
R57-R58	Shock, hemorrhage	Z94	Transplanted organ and tissue status
R65	Symptoms & signs specifically associated with systemic inflammation and infection	Z95	Presence of cardiac and vascular implants and grafts
<b><u>S00-T88</u></b>	<b><u>Injury, poisoning and certain other consequences of external causes</u></b>	Z98.85	Transplanted organ removal status
S02	Fracture of skull and facial bones	Z99.1	Dependence on respirator
S06	Intracranial injury	Z99.2	Dependence on dialysis
S07	Crush injury to head		
S08	Avulsion and traumatic amputation of part of head		
S12-S13	Fracture and injuries of cervical vertebra and other parts of neck		
S14.0-S14.15	Injury of nerves and spinal cord at neck level		
		<b><u>Additional disclosure information to be referred to Tokio Marine HCC – Stop Loss Group</u></b>	
		•	Transplants – Transplants should be referred to our Specialty Claims Unit (SCU) for cost containment assistance prior to transplantation
		•	Pre-certifications and utilization reviews
		•	Rx Prescription Drugs and Specialty Drugs
		•	Large Case Management – LCM reports
		•	Specific claims at 50% of group deductible



## HCC Life Insurance Company Disclosure Instructions

HCC Life Insurance Company relies on producers (referred herein as Plan Supervisor) to properly advise new and renewal clients on the importance of a complete Disclosure Statement. We expect that the employer, with the support of the Plan Supervisor, will conduct a diligent review of their health plan before completing the Disclosure Statement. A diligent review would include review of the information described below. The Named Insured must return the Disclosure Statement to HCC LIFE INSURANCE COMPANY within 5 days of completion. Coverage will be automatically rescinded if a signed Disclosure Statement is not completed and returned to HCC Life Insurance Company within 30 days following the proposed effective date. All information will be treated as confidential. Should we require any additional information in order to approve the Disclosure Statement, HCC Life Insurance Company will respond in writing to the Plan Supervisor with any additional information necessary to complete our review.

**Diligent Review** means a complete review of the following information:

- Report of claims on any participant incurred, paid, and/ or denied during the last 12 months in excess of 50% of the specific deductible or \$25,000\* (whichever is less).
- Reports of participants that are currently, or have been in the last 30 days, confined to a hospital or other medical facility on multiple occasions or for three (3)\* or more consecutive days.
- Reports of any dependent children over the normal termination age covered by the plan under a disabled or handicapped child extension provision.
- Reports of any known potential catastrophic claims or other known shock loss claims. (Potential catastrophic claims means any claimants expected to incur claims that may reasonably be assumed will exceed 50% of specific deductible in the next plan year.) Please carefully review the **Disclosure Diagnosis List** accompanying disclosure statement. The **Disclosure Diagnosis List** is intended to assist the Named Insured with their disclosure review.
- Reports of any participants who are expected to be absent from work due to disability on the effective date of the Excess Loss policy.
- Reports of any participants that have been absent from work due to disability (sick time, Family Medical Leave, or scheduled Leave of Absence) during the past 30 days. (In the case of a dependent or COBRA participant, is by disability unable to perform his or her normal functions of a person of like sex and age.)
- Reports of any participants currently covered under COBRA, or who are currently in a COBRA election period.
- Reports of any participant who will be covered under a Fully Insured Carriers Extension of Benefits provision.

We require complete details, including individual medical information, on any participant that is disclosed in this process. In the case of a renewal, we also require the report of any additional large claims not previously disclosed as described above that become known after release of the renewal quote when the initial date of service is prior to the date we have agreed to lock in the rates, factors and terms of the renewal offer. \*\*

In signing the Disclosure Statement, the Named Insured is assuming responsibility that all known potential large claimants have been disclosed. A claim will not be considered eligible under the Excess Loss contract if it is determined that an individual was not disclosed who met any of the criteria described above under the diligent review section.

In order for HCC Life Insurance Company to allow coverage for a non-disclosed individual, it will be necessary to re-underwrite the contract terms. In re-underwriting the Excess Loss Policy, HCC Life Insurance Company may take the following actions:

- Revise the specific rates for the Named Insured.
- Apply a higher Specific Deductible to the Non-Disclosed Claimant.

**“Complete Details”** means detailed information including, but not limited to: employee name and social security number, claimant name, social security number, date of birth, diagnosis, prognosis (if known) and Attending Physician name and phone number.

**“Participant”** means any eligible employee, COBRA participant, retiree or their dependents.

**“Known”** means information which can be reasonably assumed, based on the diligent review described above, that the Named Insured and/or Plan Supervisor had knowledge of when completing the disclosure statement.

HCC Life Insurance Company encourages open dialogue with its producers on this important subject. Please do not hesitate to contact your Underwriter or Marketing Representative to discuss our disclosure requirement in greater detail.

\*Unless other terms are independently negotiated between HCC Life Insurance Company and the producer based on the amount of the specific deductible.

\*\* This renewal window of protection for the policyholder exists provided that we have received written renewal confirmation and have issued a letter advising that terms of the renewal are finalized.

Continued negotiation of the renewal terms, right up to or past the effective date, will compromise this protective window.



# We Will be There for You

Tokio Marine HCC - Stop Loss Group



## Financial Strength

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- A++ (Superior) by A.M. Best Company
- AA - (Very Strong) by Standard & Poor's
- AA - (Very Strong) by Fitch Ratings



## Cost Management

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Transplants, premature births, oncology, dialysis, air ambulance transports



## Experience

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45+ years in the stop loss business



## Stability

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- \$1.8 Billion in annual premium
- Responsible for all underwriting, claims and administrative decisions



## Regional Commitment

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Four strategically placed regional offices across the United States



## Claim Management

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To ensure you only pay what you owe



## Accountability

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Direct access to decision-making personnel for prompt and thorough service



## Partnership

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- Open communication
- Seamless licensing & appointment process
- Consistently competitive rates



## Thank You

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Thank you for the opportunity to serve you!