

## Summary of Underwriting Guidelines\*

### 1.1.22

- **Minimum Group Size:** 150 covered employee lives (down to 50 employees with Chief Underwriting Officer's approval)
  - For under 150 employees must be currently self-funded and;
  - Must provide 3 years of paid claims experience
  - \$50,000 Min. Spec\*\* and \$100,000 Min. Spec premium remains in force
- **Participation Requirement:** 75% of total eligible employees for groups 100 + lives/85% of total eligible employees for groups 51-99 lives
- **Retirees:** Stop Loss Policy/Treaty will always be secondary for retirees over age 65
  - Under age 65 (early retirees): 10% limit of total covered enrollment
  - Age 65 +: Medicare Primary; No limitations
- **Standard Commission:** Net to 10%
- **Timing of Release of Proposals**
  - *Illustrative Only Proposals* can be released no sooner than 4 months prior to the requested effective date and require paid claims report through the 8<sup>th</sup> month of the current contract period.
  - *Firm and Final Proposals* require 10 completed months of experience in the current contract period and a full Medical Review by nurse's review team.
- **Specific Deductible**
  - Minimum Specific Deductible of \$50,000\*\* is available
  - Maximum Specific Deductible in unlimited, *however* when Aggregate coverage is being offered as well the Specific should be between 2.5% to maximum of 10% of the estimate annual aggregate attachment point.
- **Aggregate**
  - Maximum Benefit available is \$1,000,000
  - Aggregate Only coverage is **unavailable**.
  - 125% Margin
  - Minimum Attachment Point will be 100% of the Estimated Annualized Attachment Point
- **Contracts Available**
  - 12/12
  - 12/15
  - 12/18– Available only to *currently self-funded* groups which are on these contracts currently. Must provide paid claims which show the run-out for each prior contract period
  - 15/12 - Available only to currently self-funded group currently on a 12/12 or run-in contract.
  - 24/12 -Available on Kismet renewals on 12/12 and run-in contracts.
    - Available on New Business only if:
      - ✓ TPA is incumbent
      - ✓ Currently have a Run-In contract
      - ✓ Aggregate run-in limit may apply
  - Paid –Available only on KRMA renewals on 12/12 and run-in contracts
- **Optional Coverage**
  - **Aggregating Specific Corridor** - Minimum of \$100,000 Gross Annual Specific Premium *after* the AS split.
  - **Monthly Aggregate Accommodation** – Available to group with 250 or less employee lives. Must be elected at the initial effective date and renewed continuously thereafter for the option to remain available on renewal
  - **Specific Advance** – Automatically included in TPA-administered proposal
  - **Terminal Liability**- Available to groups with 250 employees or less on 12/12 contract only
- **Referenced-Based Pricing available with the following required information:**
  - Percent of Medicare/ Tiers, if applicable (Ex: Facility/Professional/Labs)
  - Who will be the pricing vendors?
  - How will they be paid: PEPM or % of savings
  - Wrap around PPO Network, if applicable
- **Ineligible (not inclusive list)**
  - No ER-EE relationship
  - MEWA
  - Self-Administrated
  - Taft-Hartley/Labor Union
  - More than 50% HMO Penetration
  - ASO Administered (BUCA)
  - No Prior Coverage
  - Association

\*This document is a summary of KRMA primary underwriting guidelines. For more details on submission (RFP) requirements please contact us at 317-288-3385 Underwritten by Kismet Risk Management on behalf of Garden State Life Insurance Company and American National Insurance Company (AM Best A rated)

\*\*We will consider Specific Deductibles down to \$35,000 if the group is currently self-funded at a Specific lower than \$50,000. We must have 3 years of experience in order to consider a Specific of less than \$50,000.