

Medical Stop-Loss Premiums Increase by More Than 9%



As the number and value of high-amount healthcare claims continues to grow, stop-loss coverage provides important asset protection and cost predictability, particularly for self-funded plans, smaller groups and groups with modest cash reserves.

This infographic presents key observations about stop-loss coverage from Segal's 2024 national medical stop-loss dataset, which includes more than 230 plans.



11.5% average premium increase for groups that maintained similar specific stop-loss benefit levels as prior year
(down from 13.4% in the 2023 dataset)

9.4% average premium increase for all groups, including groups that increased specific stop-loss deductible levels and/or aggregating specific stop-loss deductibles resulting in an overall reduced rate action
(up from 8.4% in the 2023 dataset)

95% of plans **purchased broad coverage** that includes both medical and prescription drug claims.



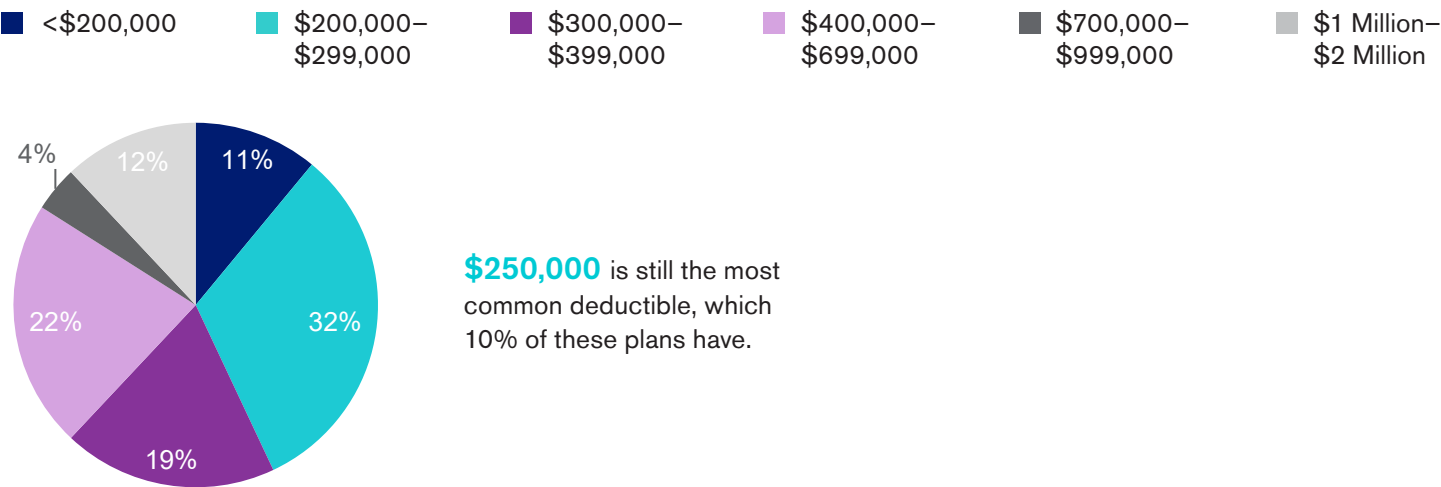
A growing number of therapies can **exceed \$1 million** annually in Rx-paid claims for the course of treatment, such as Carbaglu®, Myalept®, Ravicti® and Zokinvy®, according to SHAPE, Segal's medical claims data warehouse. Some therapies can cost **over \$3 million**, including Elevidys (\$3.2M), Hemgenix® (\$3.5M) and Lenmeldy® (\$4.25M), as reported by [CNN Health](#). Stop-loss policies that cover these treatments provide valuable protection.



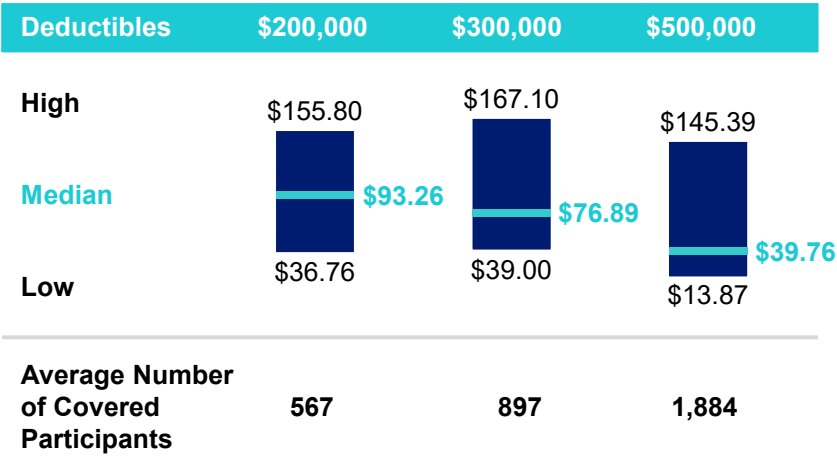
High-cost claimants with \$250,000+ paid annual claims account for less than 0.2% of all claimants but **14% of total medical plan claim expenses**, based on data from SHAPE.

Important privacy reminder: When handling data for stop-loss procurement, be sure to remove identifiers from individual claimant data, such as name, address and age, and restrict access to only those who need to know the information.

Specific **stop-loss deductibles** continue to vary widely.



Median per-participant **premiums are higher** at lower specific stop-loss deductibles.



The data above excludes plans that have an aggregating specific deductible.

Factors that affect a plan's premium and premium increases:

- Demographics

• Claims history

• Regional differences
- Market conditions

• Health plan coverage levels

• Presence of case management

About the 2024 Dataset

Segal has maintained a national medical stop-loss database since the ACA eliminated annual and lifetime dollar limits on essential health benefits.



The rapid rate of change in newly approved medical technology and procedures requires a close inspection of the coverage language offered by each stop-loss insurer. Segal subject matter experts carefully review stop-loss contract provisions to make sure policy language aligns with a plan's coverage needs, so sponsors can secure coverage that meets their expectations.

To discuss the adequacy and competitiveness of your plan's stop-loss coverage compared to plans in Segal's 2024 dataset, contact your Segal consultant or Michael S. Tesoriero at 212.251.5280 or mtesoriero@segalco.com.

This infographic is for informational purposes only and does not constitute legal, tax or investment advice. You are encouraged to discuss the issues raised here with your legal, tax and other advisors before determining how the issues apply to your specific situations.