

STOP LOSS

Transplant Risk Stabilizer

Next Generation Transplant Solution

A major challenge faced by self-funded employers is the rising cost of transplants. Large and unpredictable, transplant claims can have a real impact on a self-funded plan's financial picture.

Berkley Accident and Health has significant experience in managing transplant claims. Our next-generation solution, Transplant Risk Stabilizer (TRS), helps to stabilize the hit to a plan's bottom line by lowering the Specific deductible for transplant-related services. TRS is available as an option with Berkley Accident and Health's Stop Loss coverage.

While similar programs have been on the market for decades, TRS solves many of the problems associated with transplant carve-outs and other buy-down options:

BEST-IN-CLASS TRANSPLANT STRATEGY

Easy

- Integrated claim service from a single carrier – no need to file a separate claim for a different policy
- No claim hassles – we reimburse for all of the patient's eligible claims under the lowered Specific deductible, even those *unrelated to the transplant*
- No risk of claims falling through the cracks, due to policy differences in timing or coverage

Complete

- No new lasers at renewal, for all conditions
- Covers all eligible claims under one reduced deductible

Flexible

- Total flexibility – employers can choose their level of protection (25%, 50%, 75%, or 100%), rather than a cookie-cutter solution
- Hundreds of top facilities; access to more than one network and in-depth contract analysis for best outcomes

Step-by-Step: How It Works

1. Employers choose their level of protection for transplant claims* (25%, 50%, 75%, or 100% reduction). A 100% reduction means there is a zero deductible for transplant claims.
2. If a transplant is needed, we reduce the Specific deductible for that individual in the policy year that the procedure occurs.
3. Transplants must be performed at an approved network facility. Qualifying transplants include solid organs, bone marrow, stem cell, islet cell, and umbilical cord blood.

Transplant Risk Stabilizer brings next-generation thinking to the problem of transplants. Fully insured carve-outs can be inflexible and complex. Traditional step-down options offer a slightly lower deductible only when approved transplant facilities are used. Our TRS option provides greater peace of mind and flexibility.

*Other program requirements may apply; see next page for details

FREQUENTLY ASKED QUESTIONS

When can Transplant Risk Stabilizer be added to a Stop Loss policy?

TRS can be added at point of purchase or policy renewal. At that time, employers choose the Specific reduction level – 25%, 50%, 75%, or 100% – that meets their needs.

What happens when a transplant occurs?

The Specific deductible for the covered person is lowered once per transplant, in the policy year in which the procedure occurs. If transplant-related claims occur in the following policy year, they will be covered at the standard deductible level.

Which facilities can be used?

To qualify for the Specific reduction, transplants must be performed at a Berkley Edge accepted network facility. We use several transplant networks, including LifeSOURCE and Optum, with hundreds of top facilities.

Are travel and lodging expenses covered?

Yes, they can be submitted as eligible claims if the employer's Plan covers them.

How are non-transplant related expenses covered?

It is difficult to determine which claims are transplant-related or not, so TRS makes it easy. TRS includes *all* of an individual's eligible medical claims under the reduced deductible in the policy year that a transplant is performed.

Can an employer add TRS if there is an individual on a transplant waiting list?

Yes, they can, unlike some carve-out programs. However, that individual may be excluded from receiving the reduced deductible if there is a laser set, but the employer can receive protection for future transplants on other individuals. When an employer requests TRS, we add two endorsements to the Stop Loss policy – the *Organ Transplant Endorsement* and the *No New Special Limitations with Rate Cap Endorsement*, which eliminates any new lasers at policy renewal.

How is Aggregate coverage affected by TRS?

In the same way that other claims are currently handled, claims that are reimbursed to the employer will not count toward the Aggregate benefit. Only amounts not reimbursed will count toward the Aggregate benefit calculation.

How is an Aggregating Specific deductible affected by TRS?

If a transplant occurs and the employer's Specific deductible is reduced, claims that are reimbursed will not count toward the Aggregating Specific deductible, since the employer did not incur a loss.

However, if a transplant doesn't occur, then the employer's claims are subject to the Aggregating Specific deductible, as with any other condition.

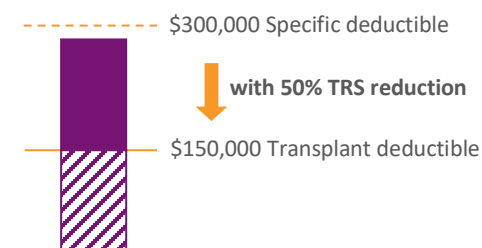
What steps must an employer take before adding TRS?

1. The employer's Summary Plan Description (SPD) must require pre-certification for transplant-related hospitalizations and outpatient procedures; and must treat the selected network as in-network providers.
2. The TPA and provider network must allow covered individuals to access the selected network.
3. The employer must advise covered individuals that they can access the selected network if they need a transplant.
4. The employer must agree to waive any exclusion in its SPD that conflicts with our contracted arrangement, including organ procurement expenses when that fee is included in our arrangement.
5. The employer must advise its TPA and medical management vendors that covered individuals can use the selected network and that they must notify us when they become aware of a potential transplant.

Other restrictions and limitations may apply. Ask your Berkley Accident and Health representative for more details.

EXAMPLE

KIDNEY TRANSPLANT | \$250,000 claim



STOP LOSS REIMBURSEMENT

With 50% TRS Option = \$100,000
Without TRS = \$0

Stop Loss policies are underwritten by Berkley Life and Health Insurance Company, a member company of W. R. Berkley Corporation and rated A+ (Superior) by A.M. Best. Not all products and services may be available in all jurisdictions, and the coverage provided is subject to the actual terms and conditions of the policies issued. Payment of claims under any insurance policy issued shall only be made in full compliance with all United States economic or trade and sanction laws or regulation, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").