

# Medical Stop Loss Captive Layer Insurance Management

A captive is expected, by domicile regulators, to adhere to the same operating protocols and reporting requirements of conventional insurance companies. Most single-parent captives are not equipped to perform these critical operational functions.

MSL Captive Solutions can deliver these essential services on a bundled or ad hoc basis as needed by the captive. Pricing for each service component is determined by the amount of premium and the layer of risk retained by the captive.

## **Retained-Layer Underwriting & Pricing**

Our expert underwriting team will price the layer of MSL coverage to be assumed as insurance by the captive. We will develop actuarial-based rates to appropriately fund the captive layer and satisfy applicable regulatory compliance.

## **Policy Manuscript**

A direct-issuing captive is required to issue a formal medical stop loss insurance policy. We will manuscript the policy to be issued by the captive to ensure it mirrors the insured's plan document. This will maximize continuity between coverage documents and reduce coverage conflicts.

## **Medical Review**

Our medical review resources provide oversight of all claims that could breach the captive's retained risk layer. Our proactive involvement can significantly reduce the severity of claims and provide an impactful safeguard for the captive.

## **Reserve Estimates**

We will recommend appropriate reserves for known claimants within the captive's retained risk layers. We will also analyze data to identify claims trends and cost drivers. Appropriate reserve management is essential to operational and capitalization planning as well as efficient surplus management.

## **Reimbursement Audit**

MSL Captive Solutions will review all captive layer claims to determine appropriateness and issue a formal Advice to Pay to the captive along with an Explanation of Reimbursement for the insured. The formalization of this process ensures claims accuracy and provides essential regulatory documentation.

## **Monthly Reporting**

We will prepare detailed monthly reporting for the captive layer. This typically includes premium detail, specific claims, potential captive claims notifications, reimbursements, recommended reserves, and loss ratios. Accurate and timely reporting is essential to the successful operation of a captive. Our comprehensive service platform will provide all stakeholders with the detailed information needed to make informed operational decisions to optimize the performance and effectiveness of their captive.

## **About MSL Captive Solutions**

MSL Captive Solutions is the insurance industry's only platform dedicated exclusively to the development and delivery of comprehensive (re)insurance and service solutions for group and single-parent medical stop loss captives.

We provide consultative underwriting support to several of the industry's leading insurance carriers and have the authority to underwrite medical stop loss coverage on their behalf as assumed or ceded (fronted) (re)insurance structures.

Our experience, expertise, and objectivity maximize our ability to analyze risk and develop the most appropriate captive (re) insurance structure.

## **Why Include Medical Stop Loss in your Single-Parent Captive?**

- Expand the captive's utility
- Provide a short-tail risk and financial hedge
- Enhance cash flow and budgetary management
- Maximize the value and application agility of surplus
- Reduce susceptibility to healthcare market volatility
- Streamline structure efficiency
- Improve data access

## **For More Information, Contact:**

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