



## PRODUCT SPOTLIGHT: PROVIDER EXCESS INSURANCE

### FOR MORE INFORMATION, PLEASE CONTACT:

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The ACA has dominated media coverage for many years now. The focus is often on the consumer's plight, but behind the scenes, a seismic shift has taken place for providers. If you have healthcare clients, you have seen the number of risk bearing entities increase in part due to CMS' shift to alternative payment models. Fact of the matter is that CMS had a goal for 30% of all provider payments to be tied to value via these alternative payment models by the end of 2016; 50% by 2018. Some programs are voluntary, but there are mandatory programs underway, the Hospital Value-Based Purchasing Program for instance or Medicare's readmissions penalties. These changes are creating new challenges for hospitals and physicians. Protection for providers entering into risk bearing contracts is needed whether it be bundled payment, 2-sided risk, capitation arrangement or direct contracts.

This is an ideal time if you are working with providers of any kind to think about insurance products that make sense, including Provider Excess Loss Insurance. Provider Excess helps provider organizations in minimizing their financial exposure from catastrophic claims. It is necessary because the provider of health care services has accepted financial responsibility for the cost of medical services under capitated contracts or any other risk-based contract.

### STANDARD UNDERWRITING GUIDELINES

- Specific excess loss coverage on a 12/15, 12/18 or 12/24 (incurred/submitted) basis
- Minimum retention of \$50,000 for hospital services coverage
- Minimum retention of \$10,000 for professional services coverage
- Minimum retention of \$50,000 for comprehensive coverage
- \$1-2 million annual maximums per member available for hospital/ comprehensive coverage
- \$250,000 - \$1M annual maximums available for professional services

### ALTERNATE PRODUCT DESIGNS

- Experience refunds
- Swing rate
- Retained risk corridor
- Variable average daily maximum options

### ELIGIBLE EXPENSES INCLUDE

- Inpatient
- Outpatient
- Professional
- Pharmaceutical
- Comprehensive coverage

### IDEAL TARGETS

- Hospital Systems
- Physician Hospital Organizations
- Integrated Delivery Systems
- Physician Groups
- Independent Physician Associations

We focus on bringing cost-effective solutions to managing medical risk and will work collaboratively with you to find the perfect A rated carrier for your client's needs. We also have a track record of securing discounts when bundling the medical stop loss with the Provider Excess.

Ask us how we can assist with your healthcare risk.

