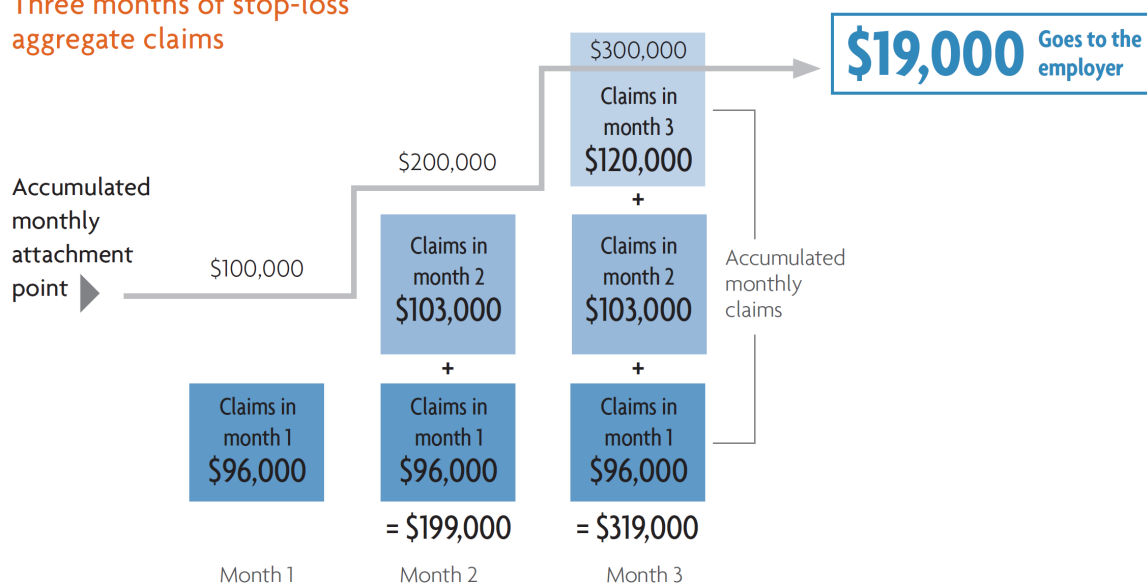


Monthly Aggregate Accommodation Option

Reduce the financial impact of monthly claim volatility on your self-funded plan with the Monthly Aggregate Accommodation option. This option helps limit your monthly aggregate claim liability by providing an accommodation for amounts that exceed the accumulated “monthly” attachment point. To understand how it works, take a look at the diagram below.

How It Works

Three months of stop-loss aggregate claims



This diagram shows aggregate stop-loss claims over a three-month period. The accumulated monthly attachment point, which represents the sum of the monthly attachment points for the completed policy months, increases each month. In the first two months, the accumulated aggregate attachment point is not exceeded. In the third month, it is exceeded when the accumulated three months of claims total \$319,000 and the accumulated monthly attachment point is \$300,000. The amount over the accumulated attachment point—\$19,000—is sent to the employer.

As soon as you exceed the accumulated monthly attachment point, your plan administrator sends in an accommodation request, and the stop-loss carrier sends that amount to you. At the end of the policy period, one calculation will be made (comparing the total aggregate paid claims to the aggregate attachment point) to determine if the employer must refund any portion of the monthly accommodations made during the policy period. This process can vary slightly by stop-loss carrier. Please refer to your actual stop-loss policy for details.

