

Frequently Asked Questions

Here are answers to some of the most frequently asked questions regarding our self-funded plan designs administered by OhioHealthy Plans, LLC. Stop loss insurance is provided by Trustmark Life Insurance Company.



CLAIMS

Q: Which claims accumulate toward the annual specific deductible and aggregate attachment point?

A: All covered claims that are the employer's responsibility under the terms of the self-funded benefit plan accumulate toward the annual specific deductible, if applicable, and aggregate attachment point. All covered claims above the annual specific deductible are paid by stop-loss insurance and do not accumulate toward the aggregate attachment point. Covered claims in excess of the aggregate attachment point are paid by the stop-loss insurance as long as the stop-loss insurance policy is not terminated off-anniversary.

Q: If covered claims are less than what was funded by the employer, what happens to the remaining surplus of unused claim dollars?

A: The employer will receive a refund.

Q: What type of claim reporting is available for employers?

A: We will provide employers with online access to a Monthly Aggregate Claim Liability Summary report, as well as healthcare utilization reports at multiple intervals throughout the year, providing greater transparency of how their healthcare dollars are being used.

RUNOUT

Q: What is the runout period for administration?

A: Employers with Traditional Cash Surplus have a 12-month runout period. Any money remaining in the employer's claim pre-fund account at the end of the runout period will be refunded to the employer.

Q: What happens to claims that are received after the runout period has ended?

A: The Administrative Services Agreement states that claim administration services conclude at the end of the runout period. Any claims incurred during the plan year and not received or processed by the end of the runout period will not be administered by OhioHealthy Plans, LLC. If the employer is still an active group, a letter will be sent to the employer asking if they would like to fund the claim. The employer has 15 days from the date of the letter to fund the claim. We will then adjudicate the claim. If the employer does not submit funds, the claim is closed out and returned to the healthcare provider.

Q: How long does OhioHealthy have to go back and adjust claims after the runout period has ended?

A: The Administrative Services Agreement states that claim administration services conclude at the end of the runout period. Once the runout period has ended, we will only adjust claims if there has been an error in claim administration, subject to our receipt of adequate funding.

Q: If the group terminates at the end of the plan year, what is the fee charged to pay the runout claims?

A: There is no separate administrative charge to pay runout claims. Runout administration is included as part of the administrative fee.

Q: If OhioHealthy Plans LLC needs to process a claim after the end of the runout period that was previously denied in error, how is it handled with the employer?

A: We will contact the employer and request the necessary funds to pay the claim if the employer received a claim pre-fund account refund and the runout period has ended. The claim is considered either a specific or aggregate stop-loss insurance claim if the employer did not receive a claim pre-fund account refund.

TERMINATION

Q: If a group terminates off-anniversary, what happens to the stop-loss coverage?

A: Aggregate stop-loss insurance is provided on a 12-month contract period basis and the monthly bill is paid in 12 monthly payments over the course of the contract year. If the stop-loss insurance contract terminates before the end of the contract period, there is no aggregate stop-loss insurance available for the months the contract was in force. As a result, the employer is responsible for reimbursing OhioHealthy for any advances, including all aggregate advances. The employer is also responsible for paying all covered claims, below the specific deductible, if applicable, that were incurred and not paid while the plan was in force. Specific stop-loss coverage, if applicable, remains in effect for the contract period prior to termination.

Q: What is the process of recouping an aggregate advance should the group terminate their stop-loss insurance off-anniversary?

A: A letter is sent to the group requesting the aggregate advance amount be paid back within 10 days of receiving the letter. If payment is not received within a month, it is sent to collections for recovery. An "aggregate advance" is when OhioHealthy advances funds to the employer to fund claims that are in excess of the accumulated monthly aggregate attachment point.

MISCELLANEOUS

Q: Will self-funded plan designs include deductible credit to new groups who enroll in a plan design?

A: Yes, a member who is continuously covered under a prior individual or group health plan with a calendar-year deductible will be credited for any portion of the deductible satisfied under the prior plan during the same calendar year. Deductible credit will not be given if moving to or from a health plan with a plan-year deductible. Credit is not provided for out-of-pocket amounts (other than amounts applied to the deductible), prescription drug card deductibles or for employees added to a self-funded plan after the group's initial effective date.

Q: Is the claim pre-fund account a trust account for the employer where they earn interest tax-free?

A: The claim pre-fund account is an OhioHealthy Plans LLC owned non-interest bearing checking account. The employer's monthly pre-fund claim payments are deposited into this account. Such payments are used on a weekly basis to pay claims incurred up to the group's maximum annual aggregate attachment point. The bank account is FDIC insured.

Q: What are the tax savings with a self-funded plan?

A: Self-funded plans are not subject to state health insurance premium taxes on claim-fund dollars and administration expenses, providing direct savings. In addition, certain requirements or fees resulting from the Affordable Care Act do not apply to self-funded plans.

Q: If the employer depends largely on government contracts, what would happen if a government contract is not renewed during the contract year?

A: If being awarded government contracts is critical to the funding of the plan, then a self-funded plan with stop-loss insurance may not be the best option, as it must be funded for the entire 12-month plan year. Terminating stop-loss insurance coverage prior to the end of the year exposes the employer to aggregate claim liability that may be unaffordable.

Q: Is the practice of lasering available with the stop-loss insurance?

A: Trustmark Life Insurance Company will not laser individuals from stop-loss insurance coverage. Lasering is the practice of removing an individual from being eligible for stop-loss coverage, or assigning that individual a higher specific stop-loss deductible.

Q: Are prescription drugs covered in the self-funded plan design? If so, who is the Pharmacy Benefits Manager?

A: Our self-funded plan designs offer an outpatient prescription drug benefit through Express Scripts.

RUNOUT PERIOD:

The period of time immediately following the end of the plan year during which we will continue to process eligible claims incurred during the contract period, subject to the terms of the Administrative Services Agreement.

SURPLUS DETERMINATION PERIOD:

The point in time after the end of the plan year when terminal liability reserve and aggregate claim liability surplus is calculated. Surplus is determined in the 16th month after the effective date of the agreement.

ANNUAL AGGREGATE ATTACHMENT POINT:

This represents the overall claim liability limit for the employer during the contract period. All covered claims in excess of this amount are payable by the Aggregate Stop-Loss Insurance, under the terms of the stop-loss insurance policy.

AGGREGATE STOP-LOSS INSURANCE:

This protects the employer from unusually high overall claims. If total covered claims for all covered persons in the group are more than the overall claim liability limit of the employer during the contract period, Trustmark Life Insurance Company reimburses the employer under the terms of the stop-loss insurance policy.

SPECIFIC DEDUCTIBLE:

Specific stop-loss protects the employer if the covered person's covered claims exceed a specified amount, or specific deductible. The Specific Stop-Loss Insurance pays covered claims exceeding this amount for the remainder of the contract year.

SPECIFIC STOP-LOSS INSURANCE:

This protects the employer from unusually high claims from a covered person. If covered claims for a particular covered person are more than the specific deductible during the contract year, the stop-loss insurance coverage reimburses the employer, under the terms of the stop-loss insurance policy.

TERMINAL LIABILITY RESERVE:

We calculate a terminal liability reserve for a self-funded health plan to pay covered claims during the runout period.

OhioHealthy is the trade name of OhioHealthy Medical Plans, Inc. Self-funded employer benefit plans are administered by OhioHealthy Plans, LLC. Stop loss insurance is provided by Trustmark Life Insurance Company. Other insurance products are underwritten by OhioHealthy Health Insuring Corporation and OhioHealthy Insurance Company.

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