

Stop Loss Policy Announcement

During 2020, Tokio Marine HCC - Stop Loss Group (TMHCC) updated, modernized and refiled its stop loss policy forms in every domestic United States jurisdiction.

Why did TMHCC refile the form?

- The last time we filed our base stop loss policy form was 2010 so it was time.
- We wanted to incorporate into the policy form two endorsements that were being attached to every policy issued: (1) The Qualified Clinical Trials Endorsement (QCT), (2) The Independent Review Organization (IRO) Endorsement.*
- We wanted to add language to the policy to accommodate non-employer types of groups (e.g. Taft-Hartley groups, self-insured student plans, etc.).
- We wanted to add new fields to the stop loss application to clarify coverage options.

** Note that when the Supplemental Endorsement (aka "Plan Mirroring") was purchased, there was no need for the QCT Endorsement and it was not attached to the Policy. For the new 2020 form, when the Supplemental Endorsement is purchased, the QCT language will be removed from the policy.*

Effective Date - March 2021

The new "2020" stop loss policy forms will be issued beginning with March 2021 effective dates. They can be identified by the new form numbers appearing in the lower left corner of each form. Each has "2020" in the form number.

Changes our producers, policy-holders and other partners can expect to see with the new policy forms:

To the Policy (new form number HCCL MSL-2020):

- If printed, the new policy form will have more pages due to the inclusion of the QCT Endorsement and the IRO Endorsement. We will no longer be issuing separate QCT and IRO Endorsements.
- The definition of "Employee Benefit Plan" will be replaced with "Medical Benefit Plan" and will incorporate non-employee-based coverages when applicable (e.g. Taft-Hartley plans).
- The definition of "Plan Supervisor" is replaced with "Claims Administrator" (the group's TPA/ASO).
- The claims documentation and information needed to file Specific and Aggregate claim is updated and modernized.
- Note – We did not make any material changes to the Policy's Limitations of Coverage Section, the Exclusions Section and the General Provisions Section.

To the Application (new form number HCCL MSL-2020 APP):

The "types of groups" check boxes in Question 2 have been updated for simplicity. The check box options will be:

- Single Employer Plan
- Union or Taft-Hartley Plan
- Association Plan or MEWA (allowed on a by state-by-state basis)
- Student Plan (if allowed by state)
- Other (these may require additional explanation as necessary)

Other customizations to the terms of coverage (Questions 14 & 15) will be included in the base of the Application when approved by Underwriting (e.g. different Contract Bases for different group divisions, diagnosis-based and/or treatment-specific Separate Individual Specific Deductibles and Domestic Reimbursement percentages for hospital and medical care groups).

For states that required edits to the Application, we will continue to use state-specific Application forms that can be identified by state abbreviations added to the form numbers (i.e. HCCL MSL-2020 APP KY).

State-specific Endorsements:

Changes and edits to the TMHCC Life policy form that are required by State Insurance Departments will continue to be made by state-specific endorsements. These can be identified by the form number (i.e. HCCL MSL-2020 END NY).

Optional Endorsements:

The text and function of each of our optional policy endorsements remains unchanged aside from the definition changes identified above.