

# Starmark Healthy Incentives<sup>®</sup>

Self-Funded Health Plan Designs and Stop-Loss Insurance



For Businesses With Five or More Employees



**Trustmark**  
LIFE INSURANCE COMPANY  
PERSONAL. FLEXIBLE. TRUSTED.

 **Starmark**<sup>®</sup>  
Small business is our only business.

# Healthy Incentives Means Healthy Savings for You

Starmark Healthy Incentives® self-funded plan designs and stop-loss insurance for small businesses with five or more employees could help you save money while maintaining traditional health benefits for your employees.

With self-funding, you finance your company's healthcare benefit plan by funding eligible claim expenses up to a predetermined amount. If the actual eligible expenses are less – you keep the savings; if eligible expenses are greater, there is a limit on your financial risk through stop-loss insurance protection provided by Trustmark Life Insurance Company.



## HOW SELF-FUNDED PLANS WORK

You make a monthly deposit of a set amount into a designated bank account to pay expected claims.



Covered medical claims are paid from this bank account for you.

If covered claims are **MORE** than the specific and/or aggregate deductible, stop-loss insurance covers the balance.



If covered claims are **LESS** than what you funded, you keep the surplus!

## Here's How Self-funding Can Help You Save Money

### Stop-Loss Insurance: You are protected in two ways.

1. **Specific stop-loss** protects you if actual eligible employee or dependent claims are more than a specified amount per participant. The stop-loss insurance pays covered claims exceeding that amount for the rest of the year.
2. **Aggregate stop-loss** protects you if total claims for all your employees and dependents are more than a defined amount. If eligible claims are higher than that amount, the stop-loss insurance pays additional covered claims the rest of the year.

**Set Monthly Payments:** You pay a set amount each month for the duration of the contract, regardless of claim activity, which means you can manage your budget easier.

**You Retain Unused Claim Funds:** If actual eligible claim expenses are lower than what you funded, you get to keep the money remaining in the account. The funds can be used for any purpose permitted by state and federal law, including to offset future claims.

**Long-Term Savings:** Self-funded plans are not required to cover costly state-mandated insurance benefits and this helps control healthcare costs and utilization. Plus, if your costs remain stable, self-funding can save you money into the future.

**Stop-Loss Advancements:** You can safely budget your medical plan costs. If claims spike early in the year, your stop-loss protection advances funds to cover costs, then recovers the money from your future payments. If claims continue at a high level, the stop-loss insurance provides a safety net.

**Tax Savings:** Self-funded plans are not subject to state health insurance premium taxes on claim-fund dollars, providing you with direct savings.

**Efficient Claim Handling:** Efficient, low-cost claim processing helps keep your expenses down.

## Management Tools

- Monthly reports show status of claims relative to funding.
- Plan documents and forms are provided and available online.
- ID cards and certificates of creditable coverage are provided, and explanations of benefits (EOBs) are available online.

## Healthy Incentives also includes these services:

- Complete plan implementation – plan documents, ID cards, summary plan description
- HIPAA administration
- Medical case management and utilization review
- Anti-fraud services on health insurance claims
- Subrogation service
- Stop-loss insurance claims and reimbursement coordination
- Stop-loss advances
- Claim funding and banking services
- Personalized service for you and your employees by phone or online



Self-funded plans are administered by Starmark, and stop-loss insurance is provided by Trustmark Life Insurance Company, a subsidiary of Trustmark Mutual Holding Company. Trustmark, a leading health and life insurer and benefits administrator for nearly 100 years, delivers competitive benefits to employer groups at a competitive price. Trustmark Life is rated A- (Excellent) by A.M. Best.

Starmark® is a distinguished leader in small group healthcare benefits. By offering flexible plan designs, unparalleled personal service, innovative, paperless employee enrollment, comprehensive health and wellness management tools, nationwide network access, and seamless HRA administration, Starmark is *the* choice to meet the diverse needs of small businesses today.

Plan designs are subject to change to comply with federal healthcare reform, as necessary. Plan design availability and/or stop-loss coverage may vary by state. If the stop-loss insurance contract is terminated before the end of the contract period, the annual aggregate attachment point will be deemed not satisfied and the employer remains responsible for funding eligible claims incurred during the time the self-funded plan was in force.



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