



Welcome back to **Working Together**, published for the Taft-Hartley and Public Sector benefits community to provide relevant information and important current trends to this important market.

Strategies for Reducing Large Claims

As the notice of a potential large claim is evident, here are items to consider well in advance to potentially reduce the financial impact of the large claim:

- 1. Time and Attention:** As a claim is emerging, it is important to get ahead of the claim by first considering the utilization of the Fund's cost containment vendor (or contracting with one).
- 2. Medical and Case Management:** If your Fund has a good case manager, (and the members are open to the assistance of a case manager), a case manager can recommend a more effective treatment plan by using Plan networks and resources available in many cases, often with reduced hospital time, especially in disease management cases such as dialysis and premature newborns.
- 3. Check your list of Cost Containment Vendors:** Plans that are tied to a large network should have access to good cost containment vendors and specialized networks that can reduce costs and, in many cases, improve care. If you find that you are missing a vendor for a specialized treatment, don't be afraid to pre-emptively line up a vendor partner toward having a complete bench of effective vendors.
- 4. Work with your Rx Provider:** Make sure the most expensive drugs are not prescribed first, regardless of any rebates. Your Rx provider is well versed in available and effective medicines, and could potentially steer a you toward alternative therapies that might be less expensive.
- 5. Communication with your Stop Loss Provider:** Don't hesitate to contact your stop loss provider to coordinate efforts to mitigate the cost of a claim. At BHSI, we can help facilitate a cost containment vendor for a specific claim if the Fund does not have one in place. Since BHSI recognizes the significant value of working with these specialized vendors, we continue to build relationships and vet new vendors to better serve our clients. So, don't hesitate to reach out to us regarding a cost containment vendor!



BHSI - Confidence, Peace of Mind, and Certainty for our Customers

BHSI is part of Berkshire Hathaway's National Indemnity group of insurance companies, which hold financial strength ratings of A++ from AM Best and AA+ from Standard & Poor's. Letters on a page that translate to confidence, peace of mind, and certainty for our customers.



National Indemnity group of insurance companies has \$285.7 billion in total admitted assets and \$169.3 billion in policyholder surplus. Because of this exceptionally strong balance sheet, BHSI is able to provide outsize capacity and creative, flexible solutions customers can count on year after year.

*Balance sheets as of 09/30/2018 for the Berkshire Hathaway National Indemnity group of insurance companies.

Strategies to Add an Aggregating Specific Deductible

Adding an aggregating specific deductible can be a good way to lower/maintain premiums, while keeping the same specific deductible, by taking on additional risk above the specific deductible to keep up with leveraged trend. Some funds struggle with knowing when to increase the specific deductible, so adding an aggregating specific deductible may be a good alternative to help keep premium costs down for the same specific deductible.

Adding an aggregating specific deductible can be:

1. A way to lower a premium increase at renewal by taking on additional risk without raising the specific deductible
2. An effective strategy that will apply to multiple potential claimants who may breach the specific deductible, as opposed to using a laser for one or more individual potential claimants (particularly if the sum of the individual lasers would be greater than the aggregating specific deductible)
3. A short-term way to help keep costs down and offset some leveraged trend
4. BHSI offers Tiered Aggregating Specific deductibles – ask a member of the BHSI team for details

Check with your plan professionals to determine if an aggregating specific deductible would be a good option for your plan.

North America's Building Trades Unions 2019 Legislative Conference

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Come visit us at our **Booth #203** in the Exhibit Hall to learn more about BHSI!

Contact BHSI



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