



HMO Reinsurance



As the healthcare market continues to evolve, Health Maintenance Organizations (HMOs) are assuming more financial risk in connection with the cost of care for their members. In addition, the reform environment introduces new types of managed care organizations like Consumer Operated and Orient Plans (CO-OPs) and demonstration programs sponsored by the Centers for Medicare and Medicaid Services (CMS). These emerging risks will require innovative solutions to help protect against catastrophic claims that could severely impair operations during the critical start up years and beyond.

There are standard HMO reinsurance products currently available that attempt to address the financial risk assumed by HMOs and other managed care organizations. But these products are often overly complicated and unpredictable and can present significant gaps in coverage. Many of these products include significant underlying limitations such as "average daily maximums" and percent of billed charge provisions, which can make it extremely difficult for buyers to estimate how much reimbursement they may be due under their HMO Reinsurance contracts. At IronHealth, we knew there had to be a better way.

In response to increasing exposure, evolving business models, and limited coverage options available in the market, IronHealth developed an HMO Reinsurance product that is both simple and enormously effective. Our new HMO Reinsurance product eliminates underlying limitations and enables the buyer to select from a menu of services to be included for coverage. We then reimburse the paid amounts for the covered services subject only to the policy retention, coinsurance, and annual maximum per member. The end result is that the client can easily estimate what amounts will be reimbursed and there are no surprises when claims are adjudicated.

IronHealth's HMO Reinsurance product highlights include:

- Commercial, Medicare, and Medicaid membership classes
- Special expertise in start-up HMOs
- Specific retentions per member ranging from \$75K up to \$1.5M
- "Unlimited" Maximum Benefit Covered per Member option available
- Eligible service menu including any combination of Inpatient Hospital, Outpatient Hospital, Sub-Acute, Professional, Ancillary and Pharmaceutical services
- Unlimited claim valuations with "amount paid" language available for eligible risks
- Up to \$10M Continuation of Benefit coverage
- Flexible claim reporting and submitting deadlines.
- Minimum premiums as low as \$50K
- Alternative risk transfer financing options including experience refunds, retained corridors, inner aggregates, and aggregating specific deductibles
- Captive reinsurance options
- Access to IronHealth's IronCARES program. IronCARES works with select, preferred vendors offering the leading experts in catastrophic claim management and clinical consulting services. In many cases, fees associated with these services will be considered eligible expenses under your HMO Reinsurance contract for Members that pierce the Reinsured Retention.

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