



Employee Benefit Excess Insurance Report

Coverage of Employer Groups and Small Group Attachment Points for Plan Year 2024

Prepared by the Maine Bureau of Insurance

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Background

This report is a compilation of data submitted by insurance carriers to the Bureau of Insurance as required by [Rule Chapter 135: Employee Benefit Excess Insurance](#).

Employee Benefit Excess or Stop Loss insurance is a product that is issued to a self-insured employer to cover their employees' health claims above a certain amount. There is typically a specific attachment point for each covered individual and an aggregate amount for the group. "Self-insured" or "self-funded" means the employer is responsible for paying claims from its own funds, without an underlying health insurance policy.

There are several concerns with the expanding use of self-insured small employer plans, including the effect of adverse selection on the community rated ACA small group market. In Maine, the small group market includes employers with 50 or fewer eligible employees. Chapter 135 defines the provision of the Maine Insurance Code that prohibits classifying a policy as excess insurance if the attachment points are so low that they have the effect of making the employer's plan an insured health plan.

Predicting the effect of the ACA on employers' decisions whether to self-fund is complicated by the lack of information about the prevalence of self-funding. Federal law (ERISA) prohibits states from regulating most self-funded employer plans. Consequently, states have little information about those plans and the number of employers that self-fund.

This data is being collected and reported from the stop loss carriers to help develop a sense of trends over time and monitor the performance and behavior of the small group market segment.

Twenty-seven insurance carriers reported 2024 Maine stop loss data and of those, ten carriers reported more detailed data for small group employer policies. Of the reporting carriers there were 800 employer groups with stop loss coverage, including 479 small employer groups. The total number of small employer groups with stop loss coverage had decreased slightly since reporting began in 2019 through 2022. However, 2023 saw a slight increase in the number of small groups over the previous year before declining slightly again in 2024. The total number of covered employees from the small employer groups is 8,954 for 2024.

The attachment points for small employers ranged from \$28,700 to \$181,334. Rule 135 requires a minimum specific attachment point of \$28,700.

More detail is provided in the tables below. The names of reporting carriers have not been disclosed. Chapter 135 took effect on September 18, 2019 for policies issuing or renewing after that date. Pursuant to Chapter 135, an insurer may not offer or renew an employee benefit excess insurance policy to a group with ten or fewer employees enrolled in the group health plan, with the exception of a policy that was in force on the effective date of the rule, covering a group with ten or fewer enrolled employees.

Year Over Year Comparison

This section of the 2024 Employee Benefit Excess Insurance Report compares plan years 2022 through 2024.

Employer Group Count 2022-2024 Comparison

Table 1 depicts the total number of group stop loss policies issued or renewed in Maine for plan years 2022, 2023, and 2024. For each carrier that issued policies to small employers, this table compares the number of employer groups the carrier insured in 2022, 2023, and 2024.

Table 1. Group Policy Count						
Carrier	All Groups			Small Groups		
	2022	2023	2024	2022	2023	2024
A	26	27	30	6	7	16
B	0	0	1	0	0	1
C	32	35	38	32	34	37
D	21	14	19	14	10	11
E	28	26	24	26	23	22
F	87	75	79	60	57	65
G	357	392	367	341	356	324
H	7	5	5	1	1	1
I	0	3	5	0	1	1
J	20	23	22	2	1	1
All Other	257	264	210	7	6	0
Total	835	864	800	489	496	479

Employee Benefit Excess Insurance: Aggregate Data for Small Employers

2022-2024 Comparison

Table 2 combines, for comparison purposes, the 2024 information on the total number of eligible employees, total number of enrolled employees, and average attachment point, and directly compares this data to 2022 and 2023.

Table 2. Small Group Employee Excess Insurance Data									
Carrier	Eligible Employees			Enrolled Employees			Average Attachment Point		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
A	235	268	802	205	226	560	\$282,406	\$294,998	\$46,875*
B	0	0	48	0	0	48	N/A	N/A	\$40,000
C	861	866	926	861	866	926	\$30,000	\$30,000	\$30,000
D	326	257	277	186	133	155	\$30,000	\$30,000	\$30,000
E	332	329	295	335	337	301	\$49,786	\$50,931	\$48,798
F	1,663	1,552	1,596	1,292	1,235	1,429	\$28,700	\$28,700	\$28,700
G	7,506	8,020	7,600	5,318	6,006	5,421	\$30,000	\$30,000	\$30,000
H	25	38	30	25	38	30	\$50,000	\$50,000	\$50,000
I	0	48	42	0	48	42	N/A	\$30,000	\$30,000
J	92	46	42	92	46	42	\$52,500	\$65,000	\$50,000
K	98	162	0	117	129	0	\$30,000	\$30,000	N/A
L	51	34	0	26	26	0	\$20,467	\$28,700	N/A
Total	11,189	11,620	11,658	8,457	9,090	8,954	-	-	-

*Carrier A switched from reporting the aggregate attachment point in 2022 and 2023 to the specific attachment point in 2024.

**Due to timing, eligible employees at the time of the quote may be lower than when the plan year actually begins which may lead to higher reported enrolled employees.

2024 Small Group Employee Benefit Excess Insurance Data

The following section depicts data reported by carriers on employee benefit excess insurance for plan year 2024. Specifically, the data in the tables below focuses on excess insurance sold to the small group market. Any excess data sold by carriers to large groups is excluded in this section (Please see Table 1 for data on all groups).

Employee Benefit Excess Insurance: Eligible Employees

Table 3 shows, by carrier, employee data reported for Employee Benefit Excess Insurance issued to employers that are eligible for small group health insurance coverage. This table includes total eligible employees by carrier along with the employers with the highest and lowest eligible employee count.

Table 3. Small Group Eligible Employees			
Carrier	Eligible Employees	Min Eligible Employees (by Small Group)	Max Eligible Employees (by Small Group)
A	802	0	74
B	48	48	48
C	926	10	45
D	277	9	50
E	295	3	39
F	1596	11	47
G	7600	5	50
H	30	30	30
I	42	42	42
J	42	42	42
Total	11,658	-	-

*Per [Title 24-A M.R.S.A. §2808-B](#): "Eligible group" means any person, firm, corporation, partnership, association or subgroup engaged actively in a business that employed an average of 50 or fewer eligible employees during the preceding calendar year. There may be times when a group exceeds 50.

Employee Benefit Excess Insurance: Enrolled Employees

Table 4 shows Enrolled Employee data for the small employer policies reported in Table 3. This table includes, by carrier, the total number of employees actually enrolled in the employers' benefit plans along with the employers with the highest and lowest enrolled employee counts for each carrier.

Table 4. Small Group Enrolled Employees			
Carrier	Enrolled Employees	Min Enrolled Employees (by Small Group)	Max Enrolled Employees (by Small Group)
A	560	22	50
B	48	48	48
C	926	10	45
D	155	5	30
E	301	3	40
F	1429	11	44
G	5421	3	48
H	30	30	30
I	42	42	42
J	42	42	42
Total	8,954	-	-

Employee Benefit Excess Insurance: Attachment Points

Table 5 shows Attachment Point data reported on the Employee Benefit Excess Insurance issued to small employers. This table includes the employers with the highest and lowest specific attachment points, by carrier.

Table 5. Small Group Attachment Points			
Carrier	Min Attachment Point (by Small Group)	Max Attachment Point (by Small Group)	Average Attachment Point
A	\$30,000	\$50,000	\$46,875
B	\$40,000	\$40,000	\$40,000
C	\$30,000	\$30,000	\$30,000
D	\$30,000	\$30,000	\$30,000
E	\$30,000	\$181,334	\$48,798
F	\$28,700	\$28,700	\$28,700
G	\$30,000	\$30,000	\$30,000
H	\$50,000	\$50,000	\$50,000
I	\$30,000	\$30,000	\$30,000
J	\$50,000	\$50,000	\$50,000