



Fully Insured vs. Partially Self Insured

Group Size	Fully-Insured	Partially Self-Insured
Positives	2 or more employees	15 or more employees
	No employer risk	Risk limited with Stop Loss Coverage
	Predictable Increasing Premiums	Increased Cash Flow & Lower Premiums
		Group saves money when claims are lean or surpass expectations.
		First year Claims Lag = net savings of 15-20%
		Benefits Flexibility - No State Mandates
		Detailed Claims Reports
		No Premium Tax on Claims
		Aggressive Subrogation of Claims
		Personalization of Service
		Unlimited Plan Design
		Company Owns & Controls the Policy
Negatives	Limited Plan Designs - Carrier Offerings	Limited risk in exchange for savings opportunity
	Higher Premium Costs	
	Must include State Mandates	Potential cash flow fluctuations
	Premium Tax	
	No cash flow advantage	Reserves needed to switch to fully-insured
	No benefit for lower claims (community rating)	
	Limited Reporting Available	Requires paradigm shift in thinking
	Service - Varies	
The Carrier Owns & Controls the Policy		