



## Group & Health Design and Pricing Review Cards

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The key to passing this exam is organizing and committing to memory the immense amount of material included on the syllabus. Condensing the material down to a set of notecards for quick repetition of key points can be very valuable in the final weeks leading up to the exam.

While some people find it beneficial to write out their own notecards, it does take a lot of time. This set of cards is designed to save the student that time, allowing more time for committing the material to memory, which should improve the student's chances of passing.

The front of each card will have a description of the list. Along the bottom, footnotes will indicate what chapter or study note that the list is from, as well as what learning objective the material maps to. The back of the card contains each of the items in the list and in many cases some details about each item. The cards are compact, making them easy to take along. The "core" material cards will be marked with a "\*" on the front to help student prioritize their memorization.

The flash cards have been updated to reflect all changes to the Fall 2011 syllabus.

## Front of Card

### Special Types of Funding Arrangements

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DP – Group Health  
Group Ins – Ch. 35

## Back of Card

1. **Reserveless Plans** (Fully Insured) - The insurer foregoes premium payments to a specified level; Must financially underwrite the group
2. **Fully Insured Plans** – Policyholder pays premiums; The insurer bears the risk of adverse experience
3. **Self Insured Plans** - The employer takes the primary risk; Governed by ERISA (No premium tax is required, State mandates don't apply); Plan sponsor must absorb claim fluctuation
4. **Minimum Premium Contracts** – Fully insured plan; Premium is used to fund a trust which is used to pay claims; does not become premium so no premium tax is paid
5. **Stop Loss Contracts** -Covers claims over stated threshold; Cost for aggregate decreases with group size as claims become more predictable; Trends at high rate
6. **Retrospective Premium Arrangements** – Policyholder takes some risk and pays lower up-front premiums; Additional premium or a refund may be due

## Front of Card

### Characteristics Used to Underwrite Large Group New Business

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DP – Group Health  
Group Ins – Ch. 24

## Back of Card

1. **Age/Gender** – Most important characteristic
2. **Area** – Reflects significant regional difference in medical utilization and prices
3. **Industry** - Health hazards and lifestyle vary by industry; Seasonal industries affect cost too
4. **Financial Stability** - Downsizing may alter the demographic mix; Layoffs lead to a spike in disability claims and utilization of elective services
5. **Ease of Administration** - Economies of scale in large groups; Complex benefit plans increase administrative costs
6. **Level of Participation** – 75% minimum to avoid antiselection
7. **Carrier Persistency** – Poor persistency is costly if setup costs are high

## Front of Card

### Plan Characteristics That Affect Dental Claim Costs

DP – Group Health

## Back of Card

1. Benefits and Cost Sharing Provisions
  - a. Deductibles
  - b. Coinsurance and Copays
  - c. Maximum Limits
2. Period of Coverage – Trend to appropriate time period
3. Provider Reimbursement Levels
  - a. Fee-for-Service – UCR, Most Common
    - Fee Schedules
    - Tables of Allowances
  - b. Capitation
4. Case Management
  - a. Preauthorization – submit treatment plan before services
  - b. Provider Profiling – Contract with
  - c. Self-Management under Capitation – Dentists have