



Excess Product Suite

Milliman has long been recognized as a knowledge resource in the pricing of health insurance products. Milliman's Health Cost Guidelines™ incorporate more than 50 years of research and consulting practice into an industry gold standard used by insurers, managed care organizations, and third-party administrators to estimate expected claim costs and model healthcare utilization. More than 100 insurers rely on our proprietary methodologies and comprehensive data, compiled from published and unpublished, private, and public data sources, to adjust national average healthcare costs for specific geographic areas, benefits, reimbursement structures, and plan characteristics.

Now, Milliman is proud to offer a suite of products that can be used to improve the pricing and underwriting of medical excess products. These products can be licensed individually or as a discounted package.

The **Milliman Stop Loss Manuals with QWiz™** calculate premium rates for specific and aggregate stop-loss policies based on national benchmarks, adjusted for the risk characteristics of the covered population. The Milliman QWiz™ Stop Loss Quote Wizard (QWiz) is an electronic tool, now in production for more than 15 years, that can be used to easily process quotes using the information contained in the Stop Loss Manuals.

The **Excess Pricing Tool (ExPrT)** provides a flexible but consistent basis for estimating claim costs and calculating premium rates for a wide variety of reinsurance coverages. ExPrT can be used to anticipate future claim levels and establish interrelationships between different coverages.

The **Excess Network Discount Tool (ENDiT)** allows the underwriter of excess products to calculate an appropriate network discount to use for pricing, based on current contracts and utilization patterns. If these data are not available, ENDiT can use historical network discounts, as observed in claims data, to generate this discount.

The **Laser Tool** is an innovative way to help an underwriter quantify the financial risks associated with known high-risk individuals. It is a simple tool that requires no clinical expertise, with the potential to improve efficiency in the laser-setting process as well as the incorporation of lasers into a broader underwriting strategy.

Milliman's Excess Product Suite has been developed through the cooperative efforts of Milliman's actuarial consultants and represents a combination of their research, experience, and judgment. The tools are based on the same underlying data as Milliman's Health Cost Guidelines, a nationwide database with more than 15 million lives over multiple years.

These tools, whether purchased as a suite or individually, are designed to assist you in managing risk while remaining competitive in existing business retention and new business acquisition. Initial training in the use of these tools is included in the lease price.

If you are interested in licensing any of these products, please contact your Milliman consultant. If you do not have a relationship with a Milliman consultant, contact Rob Bachler at rob.bachler@milliman.com or David Olsho at david.olsho@milliman.com.