

CASE STUDY

A HOLISTIC APPROACH TO BETTER MANAGE A HEALTH SYSTEM'S RISKS

THE PROBLEM

An integrated health system faced significant challenges within its liability insurance program. The program was inefficient for managing a multi-site health system and had an **inconsistent structure**. For example, one location had individual provider limits and no umbrella coverage, while another location was on a first dollar policy, yet had a clean loss history. With the evolving healthcare landscape and growing health system, it was clear the client needed to implement some changes.

THE SOLUTION

The RCM&D team presented a new, **holistic** approach to the program. The team has **extensive expertise** and was able to recommend **creative** and **customized solutions** to modernize the health system's approach to insurance and risk. The proposed new structure allowed the health system to **gain more control** over **claims** and **policy language**. The solutions included:



MOVE PROVIDER COVERAGE FROM INDIVIDUAL TO SHARED LIMITS

A better solution for a multi-location health system where employed/insured providers are sharing in the risk.



PLACEMENT OF AN UMBRELLA POLICY WITH DETAILED UNDERLYING SCHEDULE

Ensures coverage for catastrophic events above multiple policies.



CREATION OF A SYSTEM-OWNED CAPTIVE

Allows the system to take on risk rather than paying a guaranteed cost via a structured vehicle.

THE RESULTS

The new program resulted in a strong and long-term partnership between the client and RCM&D.

The health system also gained the following benefits:

- ✓ Achieved premium savings of \$750k across multiple lines of coverage
- ✓ Secured more favorable terms
- ✓ RCM&D Self-Insured Services Company (SISCO) plays the role as Third Party Administrator and proactively manages the claims for the captive
- ✓ A holistic approach as one broker managed all aspects of the program

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