

How Does Roundstone Compare Against Other Captives?

Compared to other stop-loss medical captives, Roundstone's Captive is less expensive and delivers more value than anything else on the market. Spend less up front and earn greater returns with Roundstone.

Roundstone

VS

Other Captives

COLLATERAL

Roundstone's collateral requirement for participating employers is between 7 to 10% of their Stop Loss premiums. Roundstone's collateral balance is credited toward future underwriting years.

Other captives typically have a collateral requirement that is between 11 to 15% and can be as high as 25%. This collateral can also be "stacked" meaning the employers pay 2 years in a row, essentially twice the collateral.

SIZE OF RETURN FUND

Roundstone's Return Fund accounts for 68 to 70 cents on the stop loss premium dollar; the highest return fund in the industry. These dollars are sent back to the captive participants after the captive is closed. Roundstone's Return Fund is so high because of its history of managing fixed costs down and aligning with the employer's objective of lowering costs.

The industry standard for Return Funds is 50 to 65 cents on the dollar, meaning less money goes back to the employers because of higher fixed costs removed from the stop loss premium.

UNDERWRITER OF CAPTIVE?

Roundstone is the managing general underwriter for all stop-loss policies, meaning the underwriters are in-house and not outsourced from another company.

Most other captives rely on the underwriters of their respective reinsurers and do not have the power of the pen, meaning they do not control the turnaround times for proposals, the pricing of the premium, or the underwriting outcomes.

ARE COST CONTAINMENT STRATEGIES MANDATORY?

Roundstone has many cost containment solutions that can be used to reduce high-cost claims, which results in more savings. These solutions are recommended but never mandated.

It is common for other captive administrators to mandate cost containment solutions to their participating employers, meaning you might be paying for something that you may not need. Conflicts of interest held by other captive managers cause these meritless applications of additional fixed costs.

DOES THE CAPTIVE MANAGER EARN MONEY FROM VENDORS?

Roundstone does not receive payments of any kind from its vendor partners, whether it be percentages of savings or flat fees.

It is common practice in the industry for other captive administrators to take payment from their vendor partners, meaning fixed costs are inflated and they provide less savings to the participating employers.

DOES THE CAPTIVE RETURN CASH DISTRIBUTIONS?

Roundstone returns 100% of unused dollars in the captive to participating employers in cash; full stop.

Other captives will place unused dollars into a fund and will only apply these funds to collateral or other future obligations of the employer.

WHEN DOES THE CAPTIVE ISSUE RETURNS?

Roundstone returns all unused funds from the captive layer to the participating employers 6-7 months after the policy year concludes.

Other captives can take 12 months or more after policy year concludes to return unused funds, if at all.

DOES THE CAPTIVE GUARANTEE RENEWALS?

All Roundstone clients are guaranteed to receive a renewal proposal and will never be forced to leave the captive.

Other captives will elect to not offer a renewal to some clients and will force them to leave the captive. This perpetuates the need to shop your health plan every year.

DOES THE CAPTIVE GUARANTEE YOU'LL SAVE MONEY?

Roundstone guarantees that, in the first 5 years, all of its captive participants will save money or the difference will be made up in cash. These dollars are returned to the employer.

Other captives do not provide this kind of guarantee.

CAPTIVE PERFORMANCE REPORTING

Roundstone provides quarterly reporting to all of its participating employers.

Other captives provide limited reporting to their participating employers and can, in some cases, not provide any at all.

TIMELY DOCUMENT DELIVERY?

Roundstone delivers stop-loss proposals in 3-5 business days and prides itself on prompt delivery of all documents.

Other captives can take weeks or even months to send a proposal or other documents.

REINSURANCE

Roundstone utilizes three A.M. Best A-rated carriers, Standard Life Insurance Company, Granular Insurance Company, and Nationwide Insurance Company which provide identical stop-loss insurance policies.

Other captives often change carriers year over year with vague and varying agreements, meaning you're not entirely sure what you're going to get.

Optimize the savings and cash returns of self-funding with the best performing Captive on the market.

Contact us today to learn how Roundstone's Captive can empower you with better, affordable care and revolutionize your business.



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