

# 2025 Aegis Risk Medical Stop-Loss Premium Survey

## Executive Summary

In its nineteenth year, the 2025 Aegis Risk Medical Stop-Loss Premium Survey measures the ongoing expense and coverage of medical stop-loss amongst employer-sponsored, self-funded health plans. Recent pricing and renewal requests are further detailed with 2025 increases ranging from 8.8% at a \$100,000 deductible to higher, more leveraged increase of 10.1% at \$500,000. However, current claim dynamics may pull 2026 increases upward as shown in the longer range, three-year annualized trend, which is a couple of points higher. The primary focus of the survey remains current premium rates, as shown in the following graphs and tables. Stop-loss premium reflecting over 1.2 million covered employees for a total of \$1.2 billion in annual premium expense is measured.

## Average Stop-Loss Premium—It Varies

Stop-loss coverage among plan sponsors varies greatly, causing development of an average premium cost to be a difficult task. Each group has an individual stop-loss (ISL) deductible and contract type that varies from another—all with significant impact on premiums. Enrollment size and group demographics are other variables that can have an impact on group-specific rates.

However, normalization of responses can be reasonably attained: Larger plans typically select higher ISL deductibles, and contract type can be accounted for by underwriting ratios. *For this survey, all contracts are equated to a mature "paid" contract.*

When plotted on a graph, a trend line can be drawn showing average premium cost by size of deductible for the continuum of coverage. Further variation may still exist due to PPO networks, pharmacy coverage and group demographics.

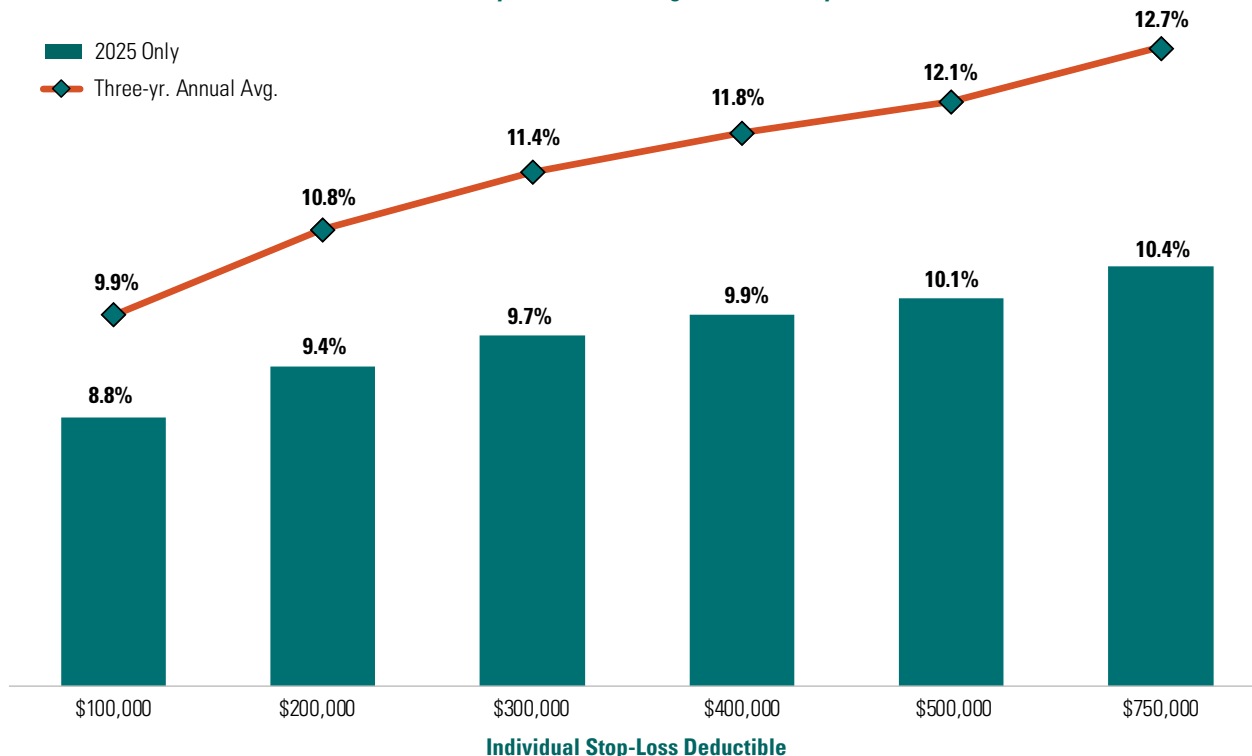
The survey's intent is to show policyholder paid premium expense. Therefore, broker commissions are not removed. They are a frequent component of premium and may be hidden, if not unknown, to respondents, including the correct manner to deduct. Those with excessive (or minimal) loads may observe it in their comparison to this survey.

## Pricing and Renewal Rate Increases

This annual survey provides opportunity to compare current year pricing to prior year's data. Below shows both three-year annualized increase from 2022 to 2025 and single-year increase from 2024 to 2025. As the deductible increases, the effect of leveraged trend amplifies, as covered claimants and their trended dollars become larger and are fully borne by an unchanged stop-loss deductible. Of note, while 2025 increases

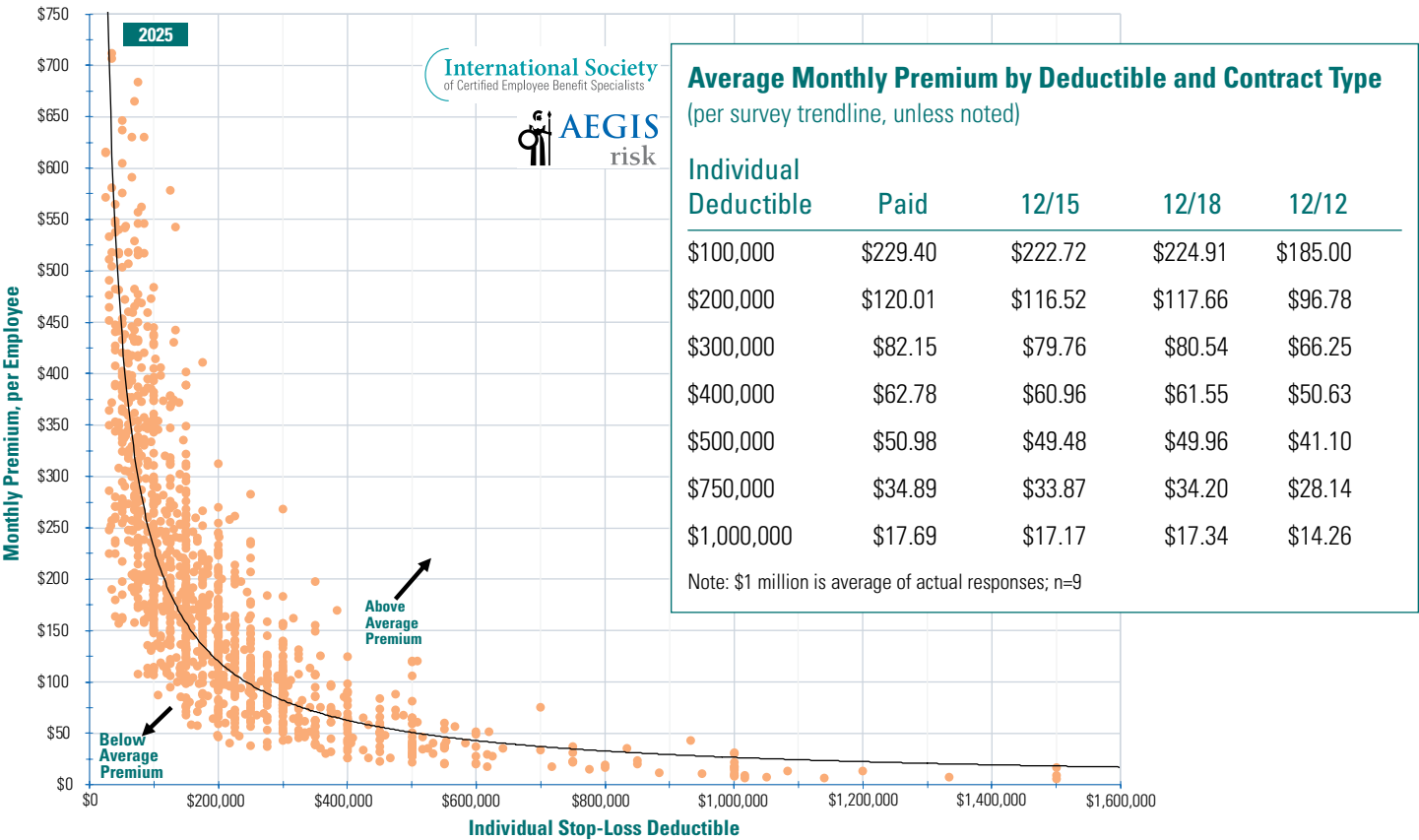
were less significant, recently elevated claim severity at several underwriters may challenge existing pricing and drive underwriters to more aggressively price upcoming 2026 renewals. Negotiated renewals and placements may be more reflective of the longer term increases, if not higher.

**Average Annual Premium Increase (2025)  
vs. Three-year Annual Average (2022-2025), by ISL**

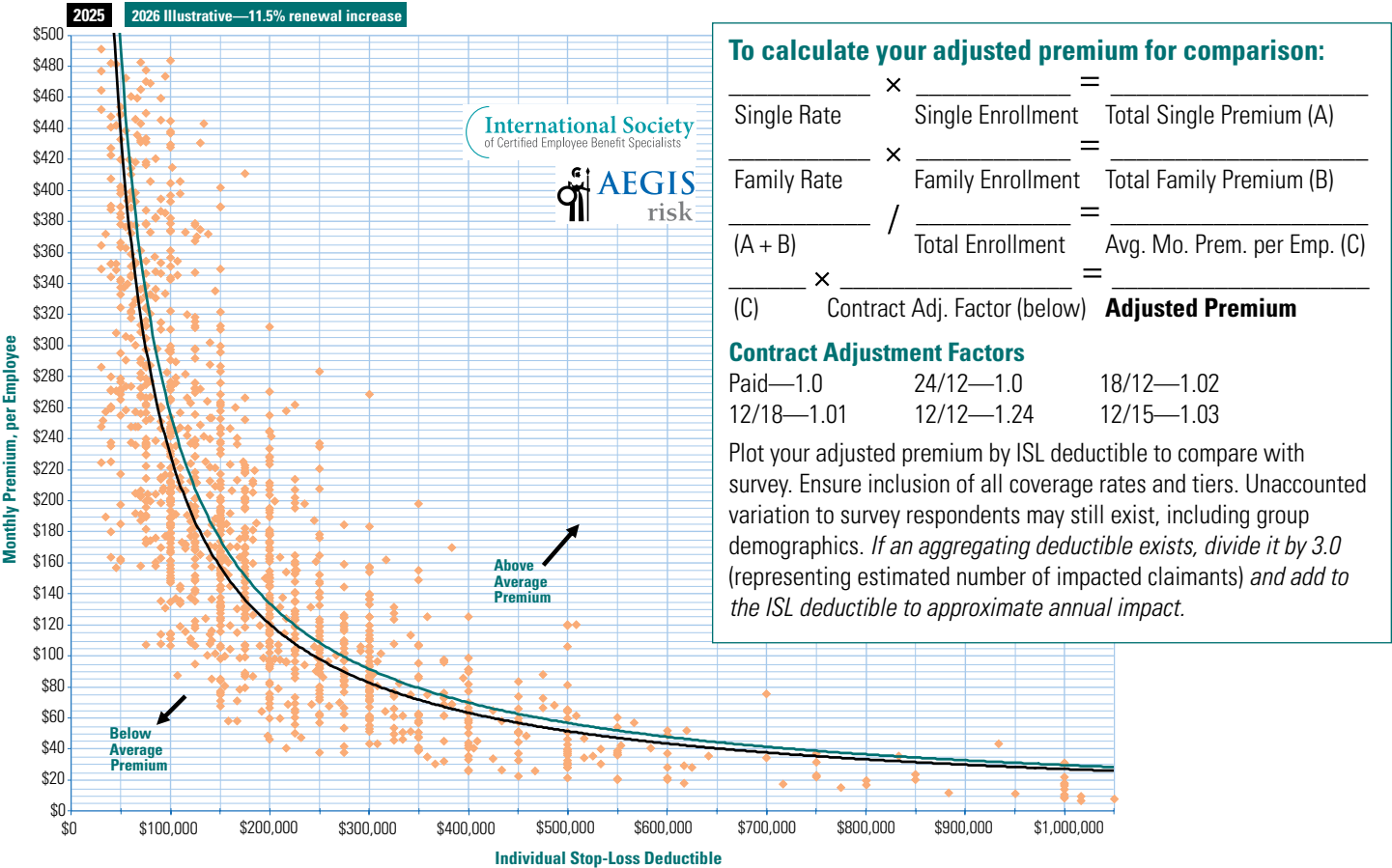


# 2025 Monthly Premiums, Individual Stop-Loss, by Deductible

(Adjusted to a "Paid" Contract)



## Make Your Own Comparison—A Focused Illustration

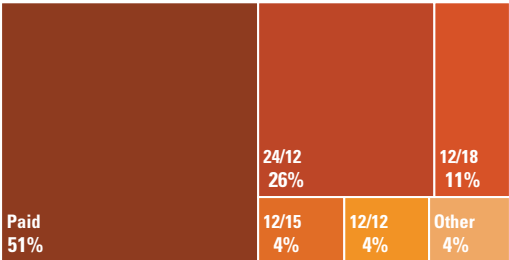


# Coverage Specifications

## Contract Type (or Claims Basis)

Contract type has many variations, with “Paid” (i.e., 36/12 and longer) and its close equivalent (24/12) accounting for 77% of plans. All are choices for ongoing, comprehensive coverage. Two options for initial coverage, 12/12 and 12/15, are 4% each. 12/18 provides a longer, six-month runout and is 11%.

## Contract Type, ISL



## Pharmacy Coverage

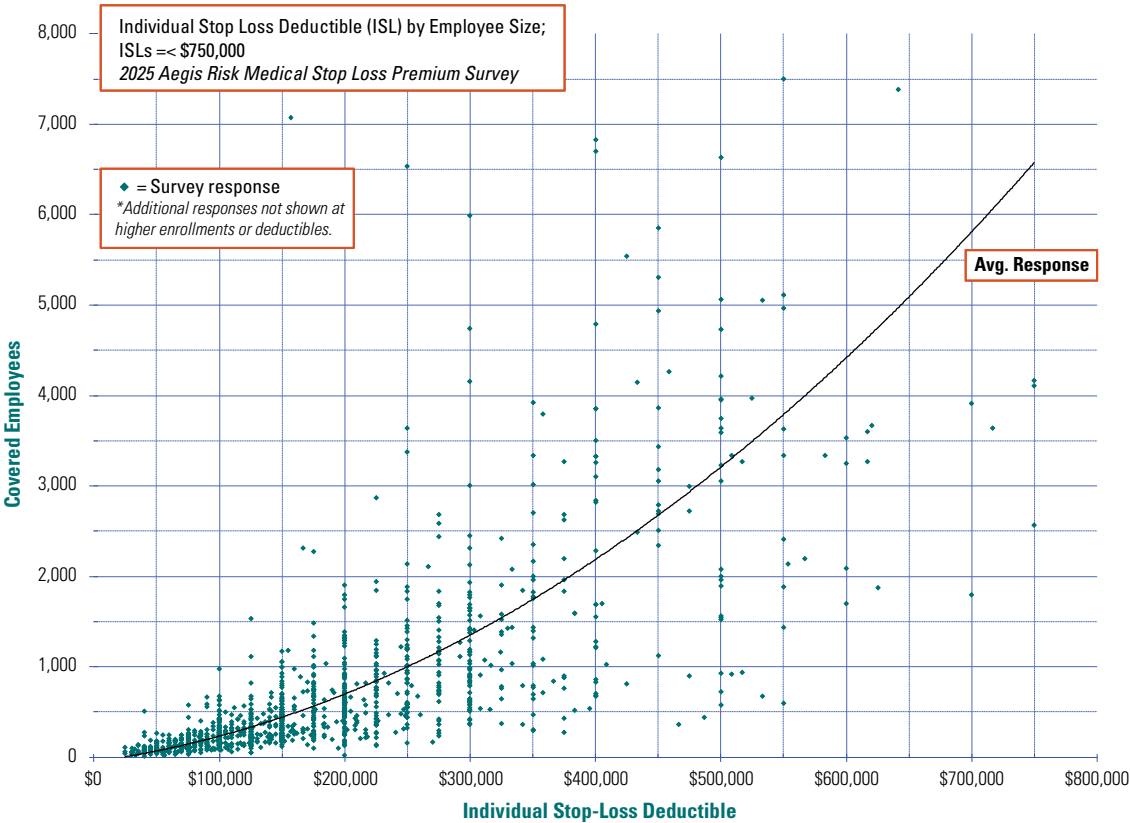
100% of surveyed plans cover pharmacy alongside medical, an increase from 99.8% in 2024. High-dollar pharmacy exposure now requires the coverage.

## Policy Provisions

Certain provisions are found on most stop-loss contracts. Excluding claimants at renewal, known as lasering, is not permitted for 65% of respondents—58% of those with a renewal rate cap. Plan mirroring is reported by 30% (but unfamiliarity may cause it to be higher) and dividend eligible policies remain less common at 13%.

## ISL Deductible by Employee Size

Selection of an ISL deductible is an important decision for any plan sponsor. An organization’s own risk tolerance should be its strongest guide—Those more risk savvy, if not larger, can manage with higher deductibles. The exhibit to the right highlights the ISL deductible of survey respondents by their number of covered employees (adjust for any ASD—divide by 3.0 and add to ISL). A trend line reflecting the average response is provided. ISLs of \$750,000 or less are illustrated. Those plans with an even higher ISL are widely dispersed by enrollment but are often several thousand employees or much higher.



## Aggregating Specific Deductibles (ASDs)

ASDs, which are separate deductibles requiring fulfillment before any ISL reimbursements, are often leveraged for their ability to ease renewal rate increases. Alternatively, they can retain risk for a policyholder seeking relief only after a multitude of specific “hits.” However, they come with a transfer of risk back to the policyholder. Of respondents, 16% reported an ASD, with the average size being 52% of the underlying ISL. As an example, for an ISL of \$200,000, the ASD, on average, is \$104,000 (52%). For adjustment to the survey, any reported ASD was divided by 3.0 (an approximation of the number of claimants necessary to fulfill) and added to the reported ISL for the survey response.

## Aggregate Coverage

This additional coverage, against overutilization of the health plan, is most prevalent alongside ISL deductibles of \$250,000 or less and enrollments around or below 1,000. It becomes less common at higher deductibles and/or enrollments—since those tend to be risk-savvier or more stable plans. 125% is the most prevalent level, chosen by 87% of those with aggregate coverage, with 120% next at 9%.

Average monthly premium per employee varies. If alongside an ISL of \$250,000 or less, the average is \$10.78. At higher deductibles, the average is \$4.58. Median premium overall is \$7.67. Although it is a significantly lower expense than ISL, purchasers of aggregate are advised to remain diligent on this expense as well.

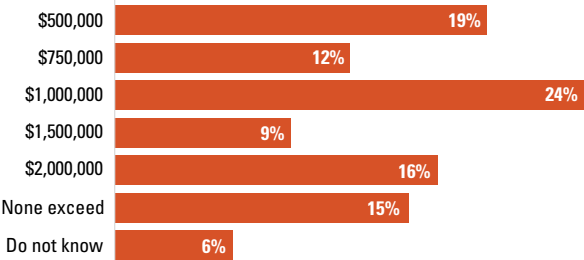
# Catastrophic Claimants

## Presence of Catastrophic Claimants and Top Concerns

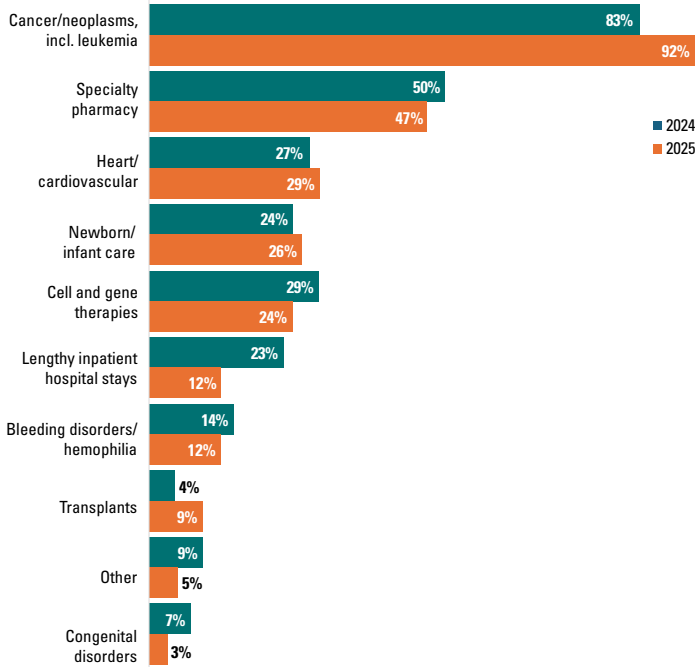
The frequency of truly catastrophic claimants (>\$500,000) is the basis of stop loss. When inquired on the last two policy periods, 49% of respondents incurred a claimant in excess of \$1 million, with 16% of those in excess of \$2 million. Top claimant concerns were led by cancer/neoplasms (92%) and specialty pharmacy (47%).

### Highest Paid Claimant, In Excess

In One Policy Year, Over Last Two



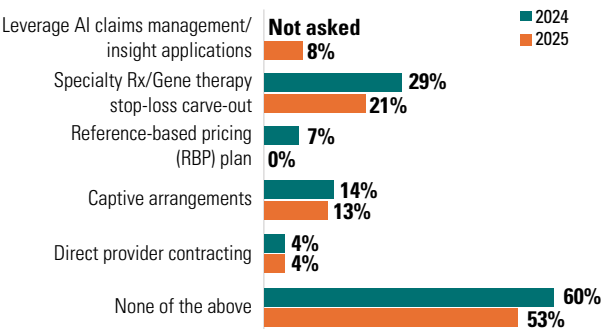
### Top Claimant Concerns (All that apply)



## Risk Management Strategies

Fueled by ever-rising costs, alternative risk mechanisms are being considered by self-funded plan sponsors. Of those, specialty Rx/gene therapy carve-out and captive arrangements have higher interest at 21% and 13% respectively. However, maintaining the status quo is most prevalent, with 53% responding “none of the above,” consistent with recent years.

### Risk Management Strategies, Planned for Review (All that apply)



## Lasered Claimants

At the initial writing of coverage, or potentially at renewal, an underwriter may exclude—or *laser*—certain individuals from coverage. This may occur at a higher deductible or possibly to full exclusion. Of respondents, 16% reported the presence of at least one known lasered claimant—unchanged from 2024.

## 2026 Renewal Premiums and Strategies

### Renewal Premiums

As discussed earlier, stop-loss renews at a higher rate than underlying medical trend due to leveraging—whereby an unchanged deductible incurs a larger percentage of future claims. Actual stop-loss premium pricing, as measured by this survey in 2025, reflects an increase from 2024 ranging from 8.8% at \$100,000 deductible to 10.1% at \$500,000 deductible. However, longer term, the three-year annualized increase back to 2022 reflects increase from 9.9% to 12.1% over that same range of deductibles. Recently observed increase in claims severity and evidence of lower and “soft” renewal pricing in recent cycles may position 2026 premiums back toward those higher, long-term increases. Altogether, we illustrate an 11.5% market-wide negotiated renewal increase for 2026 premiums. The specter of large-dollar gene therapies, cancer treatments and outsized inpatient billings still challenge lower pricing. Actual policyholder results will vary, with increases approaching 20% or more not uncommon if no change in the deductible, while those with more favorable claims experience more able to obtain an increase a few points lower than our illustrative.

### Renewal Strategies

Consider the following actions to manage your stop-loss premium and ensure adequate coverage:

- Index (or increase) deductible to medical trend. If not annually, at least bi-annually.
- Be aggressive! Ask for reductions or review competitive offers. Leverage your plan data and vendor strengths.
- Carefully manage your claims disclosure. Avoid claim denials due to nondisclosed claimants.
- Avoid coverage gaps with “plan mirroring” between your policy and health plan documents. Pursue “laser-free” renewals with rate caps.
- Use an experienced broker or consultant. Stop-loss is a highly specialized coverage with significant claim exposures. An inexperienced advisor can cost your plans hundreds of thousands in premium or through uncovered claims.

## The Survey

Sponsored jointly by Aegis Risk and the International Society of Certified Employee Benefit Specialists.

The 2025 Aegis Risk Medical Stop-Loss Premium Survey represents 1,268 plan sponsors covering over 1,200,000 employees with more than \$1.2 billion in annual stop-loss premium. Respondents range in size from 17 employees to over 21,000.

The 2026 survey opens late spring 2026, with release in late summer. Visit [www.aegisrisk.com](http://www.aegisrisk.com) to participate or register for notification. All respondents receive an immediate copy upon its release. Employers as well as brokers and consultants are encouraged to participate. Direct any questions to [survey@aegisrisk.com](mailto:survey@aegisrisk.com).

### About Aegis Risk

Aegis Risk is a specialty consulting firm with a dedicated focus on stop-loss throughout the plan year. Visit us at [www.aegisrisk.com](http://www.aegisrisk.com) for more information. Survey development and analysis provided by Ryan Siemers, CEBS.