Aegis Risk Medical Stop-Loss Premium Survey

2026

AEGIS risk ISCEBS

Executive Summary

In its twentieth year, the *2026 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 reveal 2026 premium increases ranging from 13.6% at a $100,000 deductible to a higher, more leveraged increase of 15.4% at $500,000.** Overall, the increases for 2026 were approximately 5% to 5.5% higher than increases seen for the previous 2025 renewals. The primary focus of the survey remains current premium rates, as shown in the following graphs and tables. The survey measures stop-loss premium reflecting over 1.4 million covered employees, for a total of $1.5 billion in annual premium expense.

Average Stop-Loss Premium—It Varies

Stop-loss coverage among plan sponsors varies greatly, causing the 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 this data is 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) commission loads may observe it in their comparison to this survey.

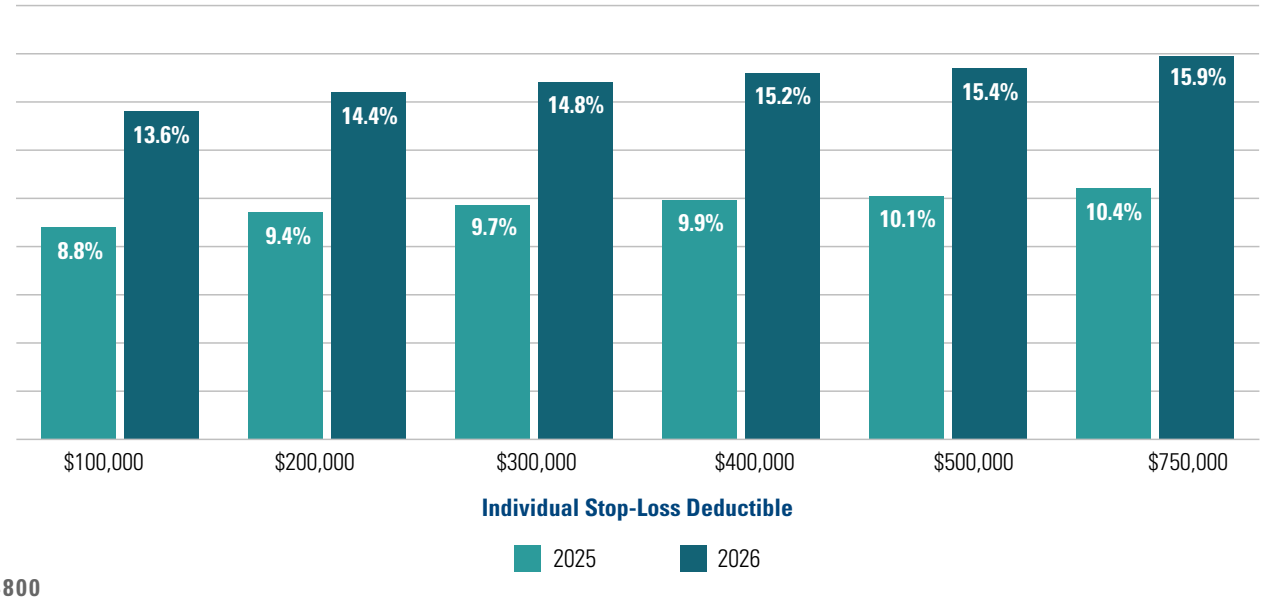
Pricing and Renewal Rate Increases

This annual survey provides an opportunity to compare current year pricing to the prior year's data. Below shows the annual measured increase for both 2025 and 2026 stop-loss premiums from the prior year. **An uptick of around 5% was observed in the 2026 increase across all deductibles.** This impact was not surprising, as many underwriters reported increased severity and frequency in stop-loss claims in late 2024 and a resulting erosion in claims-to-premium loss ratios thereafter and throughout 2025. Necessary correction impacted 2026 premiums.

As shown below, the effect of leveraged trend amplifies as the deductible increases, since claimants' trended dollars become larger and more fully borne by an unchanged stop-loss deductible.

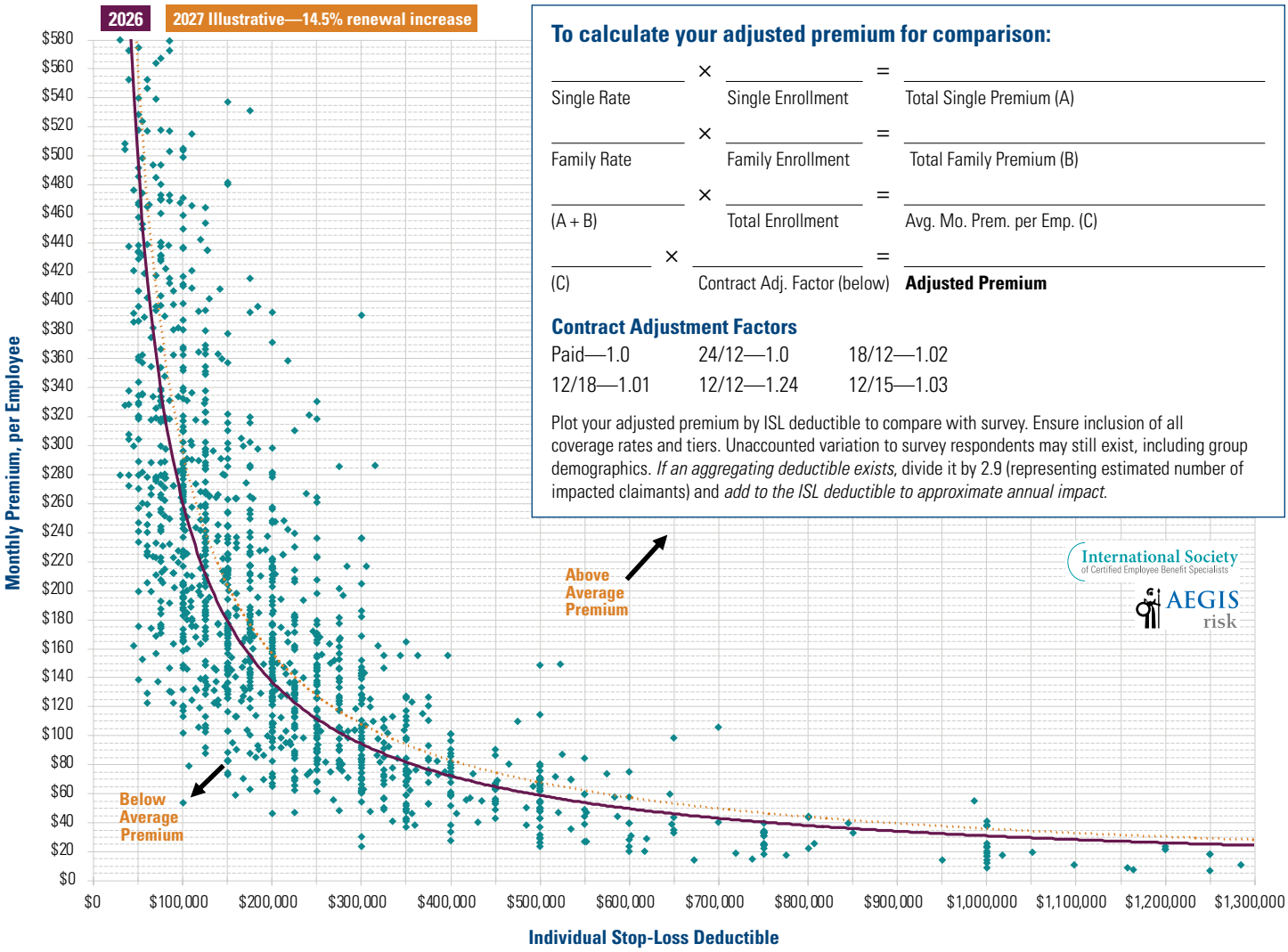
Survey response uniquely captures final, negotiated premium and reflects any pricing improvement from renewal marketings and concessions across all deductibles. In comparison, several large direct underwriters reported an average 2026 increase in the low 20% range on their own book-of-business. Those figures, however, are weighted by rate-capped renewals and in-force policies unable to locate lower cost alternatives. The comparatively lower increases observed in this survey further reflect the 2026 renewal rate opportunity found in the market.

Annual Premium Increase, From Prior Year, 2025 and 2026 by ISL



2026 Monthly Premiums, Individual Stop-Loss, by Deductible

(Adjusted to a "Paid" Contract)



To calculate your adjusted premium for comparison:

_____ Single Rate	×	_____ Single Enrollment	=	_____ Total Single Premium (A)
_____ Family Rate	×	_____ Family Enrollment	=	_____ Total Family Premium (B)
_____ (A + B)	×	_____ Total Enrollment	=	_____ Avg. Mo. Prem. per Emp. (C)
_____ (C)	×	_____ Contract Adj. Factor (below)	=	_____ **Adjusted Premium**

Contract Adjustment Factors

Paid—1.0	24/12—1.0	18/12—1.02
12/18—1.01	12/12—1.24	12/15—1.03

Plot your adjusted premium by ISL deductible to compare with survey. Ensure inclusion of all coverage rates and tiers. Unaccounted variation to survey respondents may still exist, including group demographics. *If an aggregating deductible exists,* divide it by 2.9 (representing estimated number of impacted claimants) and *add to the ISL deductible to approximate annual impact.*

Average Monthly Premium by Deductible and Contract Type

(per survey trendline, unless noted)

Individual Deductible	Paid	12/15	12/18	12/12
$100,000	$260.63	$253.04	$258.05	$210.19
$200,000	$137.28	$133.28	$135.92	$110.71
$300,000	$94.35	$91.60	$93.41	$76.09
$400,000	$72.30	$70.20	$71.59	$58.31
$500,000	$58.82	$57.11	$58.24	$47.44
$750,000	$40.43	$39.25	$40.03	$32.60
$1,000,000	$20.71	$20.11	$20.50	$16.70

Note: $1 million is average of actual responses; n=13

Coverage Specifications

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. An increase in ISL deductible at renewal causes a similar, if not more rational, effect.

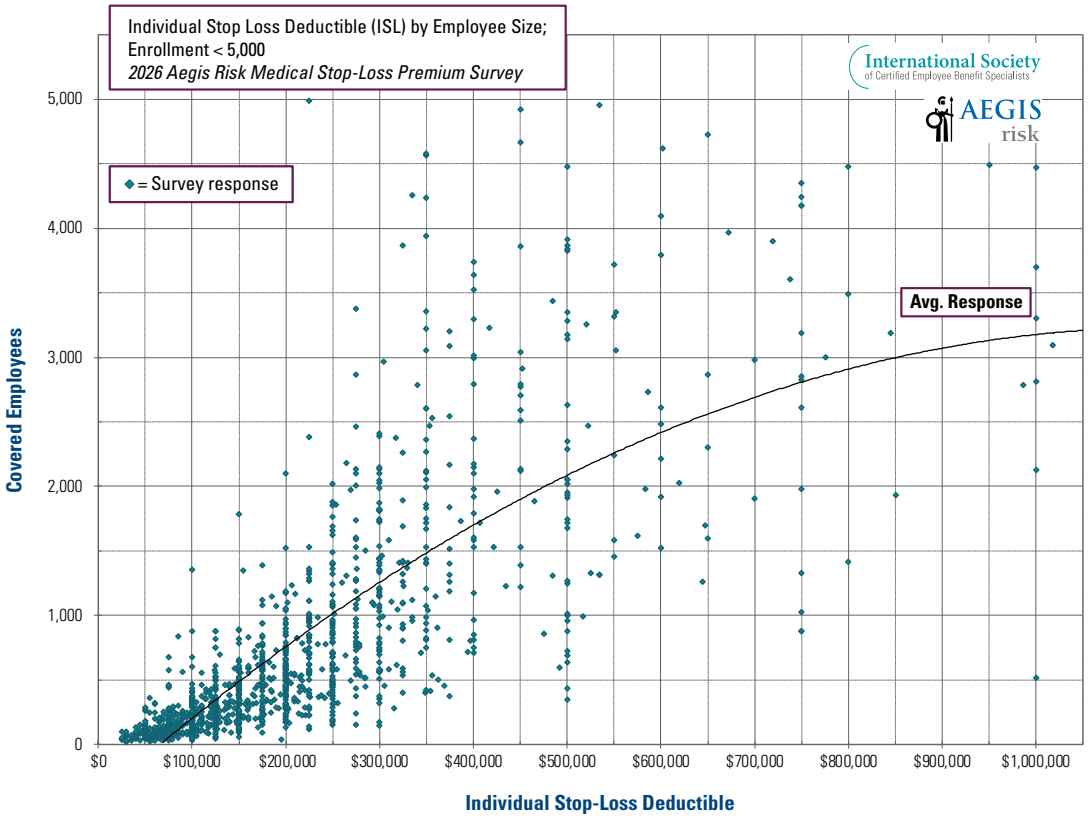
Of respondents, 17% reported an ASD, with the average size being 56% of the underlying ISL. As an example, for an ISL of $200,000, the ASD, on average, is $112,000 (56%). For adjustment to the survey, any reported ASD was divided by 2.9 (an approximation of the number of claimants necessary to fulfill) and added to the reported ISL for the survey response.

Coverage Specifications

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.

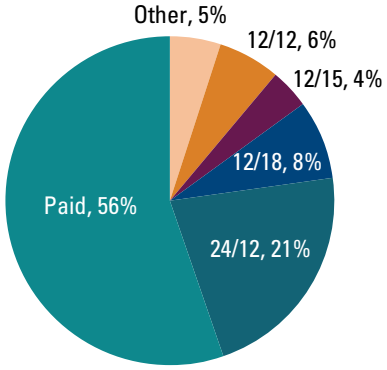
The exhibit to the right highlights the ISL deductible of survey respondents under 5,000 covered employees (adjust for any ASD—divide by 2.9 and add to the ISL). A trend line reflecting the average response is provided and further illustrates the deductible "ceiling" around $1 million in the broader market. Note that additional plans with higher enrollments and/or higher deductibles are not shown. As plan enrollment increases, the selection of ISL becomes further dispersed.



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 6% and 4% respectively. 12/18 provides a longer, six-month runout and is 8%.

Contract Type, ISL



Pharmacy Coverage

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

Policy Provisions

Certain provisions are found on most stop-loss contracts. Excluding claimants at renewal, known as lasering, is not permitted for 72% of respondents—69% of those with a renewal rate cap. Plan mirroring is reported by 34% (but unfamiliarity may cause it to be higher) and dividend-eligible policies are uncommon at just 2%.

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 88% of those with aggregate coverage, with 120% next at 8%.

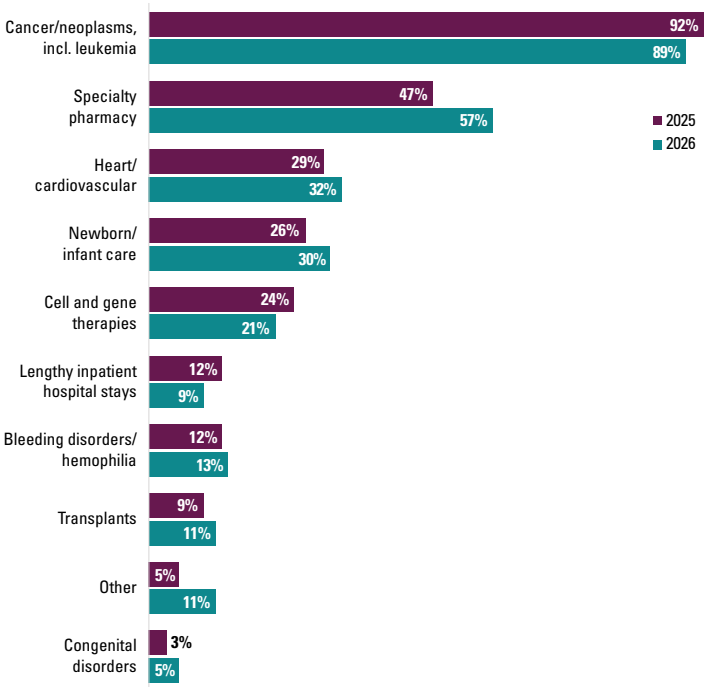
Average monthly premium per employee varies. If alongside an ISL of $250,000 or less, the average is $12.21. At higher deductibles, the average is $4.03. Median premium overall is $7.93. Although it is a significantly lower expense than ISL, purchasers of aggregate are advised to remain diligent on this expense as well.

Catastrophic Claimants

Top Claimant Concerns

When inquired, top claimant concerns were again led by cancer/neoplasms (89%) and specialty pharmacy, which grew from 47% to 57%.

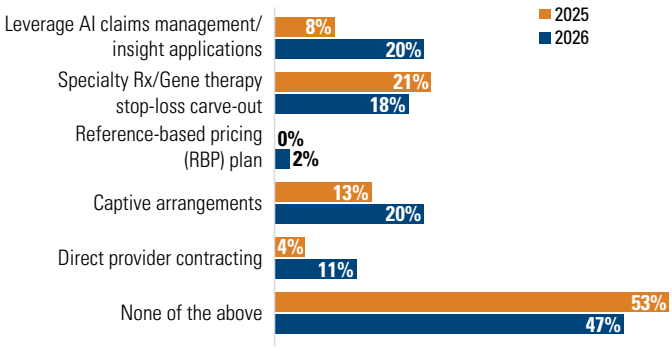
Top Claimant Concerns (All that apply)



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, leveraging AI insights and captive arrangements all have higher interest near 20% each. However, maintaining the status quo is most prevalent, with 47% 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, 19% reported the presence of at least one known lasered claimant—an increase from 16% in 2025.

2027 Renewal Premiums and Strategies

Renewal Premiums

As earlier discussed, 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. Leveraging further increases alongside the size of the deductible. Negotiated stop-loss premium pricing in 2026 reveals an increase from 2025 ranging from approximately 13.5% to 16%. This is an additional increase from the prior year of approximately 5% to 5.5%. An increased severity of catastrophic claims and a tightening of pricing discipline from previous renewal cycles drive that uptick. Individual underwriter blocks of business reported even higher 2026 increases.

An ongoing return to underwriter discipline, and need to restore insurer loss ratios to a more profitable position, does not indicate an easing on the 2027 renewal cycle. However, strong performing groups are necessary for a profitable underwriter, and renewal rate opportunity exists for those plans to obtain preferential pricing. **Altogether, we illustrate a 14.5% market-wide negotiated renewal increase for 2027 premiums.** The threats of large-dollar gene therapies, cancer treatments and outsized inpatient billings still challenge lower pricing. **Actual policyholder results will vary.** Increases exceeding 20% will not be uncommon.

Renewal Strategies

Actions to manage your stop-loss premium and ensure adequate coverage include the following.

- Index (or increase) deductible to medical trend. No change in your stop-loss deductible at renewal is akin to a "buy-up" as stop-loss will incur a higher percent of your overall plan expense.
- Be aggressive! Ask for reductions or review competitive offers. Leverage your plan data and vendor strengths.
- Pursue renewal with your existing underwriter as much as possible. Value can be obtained with multi-year relationships. An underwriter change also carries added transactional risk of an uncovered claimant.
- Carefully manage your claims disclosure. Avoid claim denials due to nondisclosed claimants.
- Avoid coverage gaps with "plan mirroring" of contract terms between your policy and health plan documents. Pursue "laser-free" renewals with sensible rate caps—All of those carry a rate load.
- 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 or potentially millions in premium or through uncovered claims.

The Survey

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

The *2026 Aegis Risk Medical Stop-Loss Premium Survey* represents 1,378 plan sponsors covering over 1,400,000 employees with more than $1.5 billion in annual stop-loss premium. Respondents range in size from 21 employees to over 35,000.

The 2027 survey opens late spring 2027, with release in late summer. Visit 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.

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 for more information. Survey development and analysis provided by Ryan Siemers, CEBS.