



# Captives of the Future Roundtable

Reduce risks and gain control of your health plan spend  
with data-driven collaboration

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# The 'Why' For Today's Discussion

- Risks of **high-dollar claims are increasing** as overall health care costs continue to rise. What are the drivers?
- How does **risk-sharing among employer plans** impact payers and employer sponsored plans?
- How diverse is your **member population** today and how do you manage plan level and catastrophic risk?
- Where do cost containment, network design, care management and member experience fit into **captive design**?

**Captive Strategies:**  
Traditional approaches **don't** optimize cost control and health outcomes





# A new level of innovation is required

Math matters

Underwriting  
credibility

Transparent, data-  
enabled decisions

Long-term rate  
stability

**Innovation**  
to go beyond  
risk-sharing

Network design

Close gaps in cost  
& quality

Member navigation  
& experience



# Evaluating the potential for a captive strategy

- How can you use **data** as an enabling strategy to:
  - Optimize self-funded health plans?
  - Improve plan stability?
- How do you manage **diversify** and broadly diffuse risk?
- How do you achieve benefit plan **flexibility**?
- How can you collaborate with captive members to achieve **greater profitability**?



# The next generation of group captives



## **Safety in numbers**

Promotes long-term  
rate stability for  
members



## **Collective predictability**

Increases underwriting  
credibility



## **Enhanced efficiency**

Leverages strength  
of collective  
membership





Reduce risk  
and  
gain control  
of your  
health plan  
spend



# Summary



## Engage

Better health outcomes

Gain insight

More educated decisions

Improve member experience



## Empower

Self-insured employers (risk mitigation)

Group captive members (manage medical costs)

Members (health & wellness)



## Optimize

Self-funded plans

Enhanced forecasting

Strategic risk objectives & mitigation

Long-term stability of the health plan





# Appendix



# Resources

- **Group Captive Client Qualification :10 Important questions to ask a potential client**  
– **MSL Captive Solutions, Inc.**

[https://www.linkedin.com/posts/msl-captive-solutions-inc\\_what-clients-are-best-suited-for-a-stop-loss-activity-6771087635327832064-thoJ](https://www.linkedin.com/posts/msl-captive-solutions-inc_what-clients-are-best-suited-for-a-stop-loss-activity-6771087635327832064-thoJ)

- **Medical Stop-Loss Captives: A Comprehensive Overview**  
– **MSL Captive Solutions, Inc.**

Request white paper here: [info@mslcaptives.com](mailto:info@mslcaptives.com) | <https://mslcaptives.com/contact-us/>

- **Captives in Uncertain Times & Utilization Within Industries**

<https://www.marsh.com/us/insights/research/captive-landscape-report-2020.html>

- **Aon on Employee Benefits Captives**

<https://www.aon.com/getmedia/a312b2f0-d63e-4a77-8de2-b5fb611356bb/Aon-Employee-Benefits-Captives-A-2020-Perspective.aspx>

- **CIC Services v. IRS**

<https://www.forbes.com/sites/peterjreilly/2020/12/12/irs-at-supreme-court-over-captive-insurance/?sh=165d8711670b>



# Resources

- **Captives as remedy to high premiums**  
<https://www.wsj.com/articles/captive-insurance-seen-as-covid-era-remedy-to-rising-premiums-11601208001>
- **Fluctuations of New Captives & Number by State**  
<https://www.iii.org/article/background-on-captives-and-other-risk-financing-options>
- **Case Studies of Member-owned Group Captive Option**  
<https://www.iii.org/white-paper/a-comprehensive-evaluation-of-the-member-owned-group-captive-option-040621>
- **Convincing Reasons to use a Captive**  
<https://btlaw.com/en/insights/blogs/policyholder-protection/2020/the-growing-captive-insurance-market-is-it-right-for-your-business-needs#page=1>
- **Can Captives be used to address pandemic risks?**  
<https://roughnotes.com/captive-insurance-terrorism-vs-pandemic-coverage/>

