

## CRITICAL ILLNESS

# We discovered the #1 catastrophic claims condition, and we can provide a benefit solution to help

**Critical Illness insurance** pays employees a cash benefit if they are diagnosed with a covered condition, such as cancer.

Sun Life analyzed our stop-loss catastrophic claims, and we discovered that cancer represents a quarter of stop-loss reimbursements—with half of employers experiencing a stop-loss cancer claim.<sup>1</sup> In fact, at least five of Sun Life’s top 10 stop-loss catastrophic claims conditions may trigger a benefit from a Sun Life Critical Illness plan for employees.



## TOP 10 HIGH-COST CLAIM CONDITIONS

Diagnoses that may result in a benefit payable from a Sun Life Critical Illness plan

Medical condition	Stop-loss claim reimbursements 2015–2018			
	Rank	Total reimbursements	% of total*	
Malignant neoplasm (cancer)	1	\$674.0M	19.3%	<b>CANCER</b> is the leading catastrophic claims condition.
Leukemia, lymphoma, and/or multiple myeloma (cancers)	2	\$262.3M	7.5%	
Chronic/end-stage renal disease (kidneys)	3	\$159.3M	4.6%	<b>1. Stop-Loss vs. First-Dollar Claims</b> A stop-loss claim is one that exceeds the self-insured employer’s stop-loss deductible. A first-dollar claim is paid by the self-insured employer and is below the stop-loss deductible. The results shown here include only claims large enough to exceed the stop-loss deductible.
Congenital anomalies (conditions present at birth)	4	\$141.9M	4.1%	
Transplant	5	\$117.1M	3.3%	
Septicemia (infection)	6	\$104.5M	3.0%	
Liveborn**	7	\$93.7M	2.7%	
Complications of surgical and medical care	8	\$89.9M	2.6%	
Hemophilia/bleeding disorder	9	\$76.7M	2.2%	
Cerebrovascular disease (brain blood vessels)	10	\$70.9M	2.0%	

\*Percentage of total stop-loss claims reimbursements that Sun Life provided to its policyholders from 2014 to 2017.

\*\*When the Liveborn diagnosis becomes a high-cost claim, it is often accompanied by additional diagnoses.

Please see pages 2-3 of the report for other conditions that may occur at the time of birth.

Source: 2019 SUN LIFE STOP-LOSS RESEARCH REPORT, “High-cost claims and injectable drug trends.”

**To request Sun Life's Stop-Loss research report and information about our Critical Illness plan for employees, call your Group Benefits Sales Representative or your Stop-Loss Specialist.**

#### **About the study**

**Methodology:** For all reporting except employer reimbursement incidence, the claims data included Specific stop-loss claims paid as of December 31 for each year from 2014 to 2017. From a data perspective, the impact on the analysis due to policy reimbursement caps or lasing was not significant. Because employer reimbursement incidence reporting requires calculating claims on a policy year basis, the claims data for employer reimbursement incidence were derived from stop-loss claims reimbursements that applied to the stop-loss policy years beginning with 2013 and ending with 2016. Claimants who breached the \$1 million threshold were determined using all paid claims dollars (below and above the stop-loss deductible) attributable to that claimant during the calendar year—January 1 to December 31 for each year from 2014 to 2017. Rounding was on a "to nearest" basis.

**Claims conditions categories:** To create these, Sun Life reviewed all claims conditions and combined similar conditions and billing categories.

**Data demographics:** The claims data was from Sun Life Stop-Loss policyholders ranging in size from approximately 50 to over 100,000 employees, located across the United States. The case size of these policyholders was determined by counting the number of employee lives covered by the stop-loss policy.

#### **About Sun Life Critical Illness Insurance**

**This is a limited benefit policy. It does NOT provide basic hospital, basic medical, or major medical insurance. The certificate has exclusions, limitations, and benefit waiting periods for certain conditions that may affect any benefits payable. Benefits payable are subject to all terms and conditions of the certificate. The policy, certificate and rider, if applicable, may not be available in all states and may vary based on state laws and regulations.**

Group insurance policies are underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) in all states, except New York, under Policy Form Series 07-SL REV 7-12, 12-GP-01, 12-SD-C-01, 13-SD-C-01, 12-SD-R-01, 13-SD-R-01, 15-GP-01, 16-SD-C-01, and 16-SDPort-C-01. Product offerings may not be available in all states and may vary depending on state laws and regulations. Not available for use in New York. In CA and CT, "Critical Illness" means "Specified Disease."

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