

# THOMSON REUTERS HELPS MISSOURI AGENCY SAVE \$1.5 MILLION ANNUALLY

Case Study

Employer

Missouri Consolidated Health Care Plan

## Database Solution Enables Self-Insured Plan to Assess its Need for Medical Stop-Loss Coverage

The Missouri Consolidated Health Care Plan (MCHCP), a state agency that provides medical insurance to government employees, needed better information to effectively evaluate whether it should purchase medical stop-loss insurance. Historically, MCHCP purchased stop-loss insurance—coverage which protects self-insured employers against catastrophic claims—for only about 25 percent of its members.

In late 2004, it accepted bids to expand coverage to about 85 percent of its population. However, because the agency had in the past lacked access to data on its historic catastrophic claims experience, it could not effectively assess the need for stop-loss protection or evaluate the bids. Typically, it would learn only after the fact—when a reimbursement check was received at the end of the year—whether it had made the right decision.

### COURSE OF ACTION

MCHCP used its new **Medstat Advantage Suite®** database—which contained medical claims data from all five health plans who manage MCHCP members—to evaluate the need for stop-loss insurance. With this powerful tool, the agency had access to detailed information documenting the high-cost claims history for each individual enrolled in its plans over three calendar years, and a new understanding of healthcare utilization patterns.



*“For the first time, we could quantify and truly understand our high-cost claimant experience. This knowledge empowered us to make better, more informed decisions with our health plans.”*

### Henry Curran

Associate Executive Director

### RESULTS

MCHCP concluded that the amount of high-cost claims incurred in recent years did not justify the purchase of stop-loss insurance—a revelation which is expected to save the agency \$1.5 million a year. “For the first time, we could quantify and truly understand our high-cost claimant experience,” said Henry Curran, Assistant Executive Director of MCHCP. “This knowledge empowered us to make better, more informed decisions with our health plans.”

### MISSOURI CONSOLIDATED HEALTH CARE PLAN (MCHCP)

**Location:**  
Jefferson City, Mo.

**Size:**  
108,000 covered members

**Scope and services:**  
MCHCP provides coverage to employees and retirees of most Missouri state agencies as well as other public entities.

**Solutions:**  
Medstat Advantage Suite

