BLACKWELL
CAPTIVE SOLUTIONS

2025

RISING HEALTHCARE COSTS AREN'T INEVITABLE

HOW GROUP MEDICAL STOP LOSS CAPTIVES ARE EMPOWERING EMPLOYERS TO CUT COSTS WITHOUT CUTTING CARE.

POWERED BY B.WELL

COST CONTAINMENT AND SMART CARE MANAGEMENT.

A GUIDE TO GROUP MEDICAL STOP LOSS CAPTIVES

HOW CAPTIVE HEALTH STRATEGIES AND SMART TECHNOLOGY ARE CHANGING THE GAME FOR MID-SIZED EMPLOYERS

INTRODUCTION

- The rising cost of healthcare has made traditional insurance models increasingly unsustainable for many employers.
- Self-funding offers cost-saving potential, but the financial risks can be prohibitive.
- Group medical stop loss captives have emerged as an alternative risk management strategy, giving employers more control and cost predictability.

ESSENTIAL ***STABILITY*****.**
DESIRED ***FLEXIBILITY*****.**

WHAT IS A GROUP MEDICAL STOP LOSS CAPTIVE?

1 A group medical stop loss captive is a self-insurance strategy where multiple employers join to share risk while maintaining control over healthcare costs, gain purchasing power, and maintain greater control over their healthcare costs and data.

2 Designed for mid-sized employers that want the benefits of self-funding without bearing the full financial burden alone.

3 Functions as an alternative to traditional fully insured health plans by offering cost savings, risk-sharing, access to specialized cost-containment strategies and self-funded.

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HOW DOES A GROUP STOP LOSS CAPTIVE WORK?

1 SELF-FUNDING WITH PROTECTION:

Employers self-fund their employee health plans and purchase stop-loss insurance to cap financial risk.

The stop-loss policy protects against large individual claims (specific stop-loss) and high total claims in a given year (aggregate stop-loss).

2 RISK-SHARING AND FINANCIAL BENEFITS:

Instead of paying excess profits to a commercial insurer, members share underwriting profits when claims are lower than expected.

Members benefit from stability in pricing, unlike traditional fully-insured or self-funded models where premiums can rise unpredictably.

3 SHARING RISK WITH OTHER EMPLOYERS:

A group of like-minded employers collaborates with a captive manager to form a shared risk pool.

Each member contributes premiums—part goes toward expected claims, while the rest is retained within the captive to manage future risk and potentially lower long-term costs.

4 COST CONTAINMENT & DATA INSIGHTS:

Captives often provide access to cost-containment programs, claims analytics, and risk management strategies that improve long-term outcomes.

Employers gain more transparency into claims data, helping them make better benefits decisions.

HOW A GROUP CAPTIVE WORKS VS. TRADITIONAL STOP LOSS

FEATURE	TRADITIONAL STOP LOSS	GROUP MEDICAL STOP LOSS CAPTIVE
Risk Sharing	No, Employers bear full risk individually	Yes, risk is shared among multiple employers
Renewal Volitility	Unpredictable premium increases	More stable long-term pricing
Profit Potential	Carrier keeps unused premium	Members receive a share of underwriting profits
Cost Control Strategies	Limited to carrier's programs	Employers have flexibility over risk management
Claims Transparency	Limited access to claims data	Full access to claims data for better decision-making

WHY ARE MORE EMPLOYERS CHOOSING STOP LOSS CAPTIVES?

COST STABILITY & PREDICTABILITY:

Avoids the unpredictable premium hikes common in traditional models.

Employers have greater control over healthcare spending.

POTENTIAL FOR FINANCIAL RETURNS:

Unlike traditional insurance, where unused premiums become carrier profits, captives allow members to receive a share of underwriting profits if claims are favorable.

INCREASED TRANSPARENCY & CONTROL:

Employers get access to claims data, allowing them to make smarter, data-driven healthcare decisions.

BETTER RISK MANAGEMENT & COST CONTAINMENT:

Many captives offer access to direct contracting, specialty drug management, wellness programs, and high-performance networks to control costs.

GREATER FLEXIBILITY IN PLAN DESIGN:

Self-funded employers have more freedom to customize benefits rather than being locked into rigid, one-size-fits-all plans.

GROWING FRUSTRATION WITH TRADITIONAL INSURANCE:

As healthcare costs rise, more employers are seeking innovative alternatives that offer financial upside and cost mitigation strategies.

WHY BLACKWELL IS DIFFERENT

MOST CAPTIVES HELP YOU SHARE RISK. WE HELP YOU TRANSFORM HEALTHCARE.

Not all captives are created equal. At Blackwell, we don't just give you access to a captive structure and a network of employers. We provide the **technology, guidance, and strategic tools** to help you succeed inside it

BUILT-IN STRATEGY:

Most captives leave you to figure out plan design, employee engagement, and vendor selection on your own. Blackwell bakes these elements into the program from day one.

A VETTED ECOSYSTEM OF COST-CONTROL TOOLS:

We've done the due diligence on best in class solutions so you don't have to. You'll have access to partners proven to reduce cost while improving quality of care.

SURPLUS RETURNS IN YEAR ONE:

While many captives hold onto surpluses for years, Blackwell makes you eligible for surplus distribution in the first year—so you see upside faster.

PEER COLLABORATION, NOT COMPETITION:

You'll be grouped with like-minded employers who share not just financial risk, but insight and best practices. The result is smarter collective decision-making and stronger outcomes.

A STRATEGIC FRAMEWORK, NOT JUST A FINANCING MODEL

Traditional insurance just pays claims. Blackwell helps you prevent them.

MEET B.WELL:
THE BRAIN BEHIND THE BENEFITS

SMART BENEFITS GUIDANCE. SMARTER HEALTHCARE DECISIONS.
THE KEY TO COST SAVINGS.

WHAT B.WELL DOES:

Every Blackwell captive is powered by **B.Well**, our intelligent health platform that acts as the **central nervous system** for your plan.

1 UNIFIES THE MEMBER EXPERIENCE

Instead of forcing employees to navigate 5–10 different vendors and portals, B. Well puts everything in one mobile-friendly platform.

2 PROVIDES REAL-TIME INSIGHT

With up-to-date claims data and health analytics, you'll always know what's working— and what's not

3 DELIVERS SMART, PERSONALIZED

Whether it's finding an in-network doctor, comparing prescription prices, or getting a preventive screening, B. Well nudges employees toward smarter choices.

4 ENGAGES EMPLOYEES YEAR-ROUND

B. Well doesn't show up just at open enrollment. It supports employees every day—so they actually use the benefits you're investing in.

WHAT AI HAS TO DO WITH ALL THIS

AI CHANGED EVERY OTHER INDUSTRY. WHY NOT YOURS?

If your CRM uses AI, your marketing platform uses AI, your smartphone uses AI... why doesn't your health plan?

B.Well leverages AI to make complex health decisions simpler and smarter—for your employees and for you.

HOW B.WELL'S AI DRIVES VALUE:

1 REAL-TIME PROVIDER GUIDANCE

Employees searching for care are routed to in-network, high-quality, cost-effective providers—reducing surprise bills and unnecessary spend.

2 PREDICTIVE INSIGHTS

See where claims are trending, which populations are at risk, and where interventions can have the most impact.

3 24/7 VIRTUAL ASSISTANCE

Think of it as a smart concierge, available to help your team when HR is off the clock.

4 PERSONALIZATION AT SCALE

Everyone gets the right message at the right time—about preventive screenings, prescription refills, mental health support, and more.

CONCLUSION:

IS A STOP LOSS CAPTIVE RIGHT FOR YOUR COMPANY?

1. Group medical stop loss captives offer a powerful alternative to traditional insurance, giving employers more control, cost savings, and financial protection.

2. While they aren't for every organization, mid-sized employers that prioritize long-term cost control and transparency are increasingly turning to captives as a better way to manage healthcare costs.

3. If you're considering a captive, working with an experienced partner can help you evaluate whether this strategy aligns with your company's goals.

PROTECTION TODAY FROM THE UNKNOWN TOMORROW.