Frequently Asked Questions

Can a group select from two benefit designs?
Two benefit designs can be implemented in a group as long as there is a minimum of two contracts in either.

What groups are eligible for SafeGuard?
Most businesses with appropriate business licensure and possessing bona-fide employer-employee relationships will qualify.

Is there a participation requirement?
A minimum of 75% of eligible employees must enroll. See SafeGuard Program Guide for valid waiver specifications.

Is there a minimum employer contribution requirement?
No.

What happens to my monthly payment if I add or drop employees?
The monthly payment will change along with changes to the group census.

What happens if there is a significant claim early in the contract period and I don’t have adequate funds in my pre-funded claims account to pay it?
At any time during the contract period, if a claim exceeds available funds in the pre-funded claims account, an aggregate advance will be made to cover the claim. At the time of settlement, aggregate advances are reconciled against pre-funded claims account monies. Claims which exceed the total annual balance of the pre-funded claims account will be covered by excess loss insurance payments.

What happens if a claim was incurred during the contract period, but doesn’t arrive to USHL for processing until beyond the 15-month settlement period?
At the time of settlement, a determination is made on potential claims outstanding, and USHL Underwriting assigns an incurred but not reported (IBNR) claims estimate. The IBNR claims estimate is retained by USHL to cover any outstanding claims after settlement, and is subtracted from any return of funds due to the employer.

Do I get back my excess loss insurance premium payments if I never utilize the excess loss insurance coverage?
No; excess loss insurance premiums and administration fees are plan fixed costs and are not refundable.

Do I have to open a bank account for the pre-funded claims account?
No; USHL maintains and administers the pre-funded claims account for each SafeGuard client.

Will I get an ongoing report showing me the rolling balance in my pre-funded claims account?
Your monthly billing statement will show the breakdown of the portion of your payment allotted to the pre-funded claims account; reporting at month ten will show funds accumulated, claims covered by pre-fund claims account dollars, and remaining balance. Settlement will give final accounting of the funds prior to any distributions.

What happens if I terminate prior to the end of the twelve month contract period- will I forfeit all unspent pre-funded claims dollars?
The employer must continue paying the pre-funded claims account portion of monthly billing through the plan’s year end in order to keep excess loss insurance coverage in place from the plan start date through the date of termination. This account will be maintained until the end of the originally determined settlement period in order to pay claims; the normal settlement process will occur at the originally-scheduled date and any unused funds returned to the employer.

If my group re-contracts, does my unused pre-funded claims account roll over to a new year?
No; the normal settlement process will occur even with re-contracting groups. Each plan year constitutes an entirely new contract, with no “rollover” from a prior year contract period.

Because this is a self-funded plan, can I choose what I want covered and not covered?
SafeGuard allows the employer to select benefit design(s) only; the MPD / SPD, administrative service agreement and excess loss insurance certificate are standard.

How are claims disputes handled?
USHL handles and decides on all claims disputes.

Who is responsible for taxes and fees associated with my self-funded coverage?
Self-funded coverage is subject to certain taxes and fees, including the PCORI Fee and Transitional Reinsurance Fee. USHL Client Services assist in calculations of those fees, but payment is the responsibility of the employer.

What is included in the monthly administration fee?
The monthly administration fees are inclusive of, but not limited to, enrollment, claims processing and adjudication, member cards and plan documents, access to all USHL client service resources (i.e. over the phone and via the fax recall and online secured services portals), coordination with networks and PBMs, claims dispute resolution, member and group communications, excess loss insurance claims coordination and payment, and plan reporting.

SafeGuard requires no more administrative involvement from the employer (plan sponsor) than would be associated with an insured group medical plan.

If I elect a SafeGuard HDHP coverage, are my employees required to have a HSA? If I elect to have a HSA, do I have to go through USHL, or can I use my preferred bank?
While SafeGuard HDHPs are qualified plans, they may be implemented with or without a health saving account. If the employer group has a preferred HSA bank, we will work with that institution; otherwise, they can use our preferred HSA vendor.