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Scott Captive Solutions and AIG Benefit Solutions® Introduce Turnkey Group Health Captive Solution to Help Companies Control Healthcare Cost

Lynchburg, Va., April 8, 2014 — AIG Benefit Solutions® and Scott Captive Solutions announced that they have entered into a strategic partnership to offer CAPvantage Select™, a national group medical stop-loss captive program designed to meet the growing demand among mid-market employers for self-funded options in the era of healthcare reform. CAPvantage Select is a practical health-financing solution for companies who want to control healthcare costs, reduce their risk, as well as manage tax expense and fees associated with fully insured products.

“Group captives allow employers to address the volatility, non-transparency and cash flow concerns often associated with the traditional self funded and fully insured market,” explained Pim Jager, Vice President at Scott Captive Solutions. “At the same time these Group Captive programs provide tools and partnerships with best in class vendors to help employers better manage the health risk in their population and drive better financial outcomes in the long term.”

In addition to providing cost stability, predictability and the accountability to drive results, CAPvantage Select offers the employer:

- The benefit of banding together high performing companies
- Large-group purchasing discounts on administrative services, cost management tools and network access fees
- A medical stop-loss component that can be structured for greater control over cost increases
- Opportunity to achieve a return on a portion of Captive premium through effective high-risk management resources and good claim performance
- May help mitigate the tax burden imposed by ACA, which can range from 2% - 5% of premium

“AIG Benefit Solutions prides itself on helping employers provide valuable and affordable protection to their employees. One of the major challenges we see facing mid-market employers today is the rising cost of employee health coverage and determining a cost-effective approach to maintain their employee benefit programs,” said Bob Hosler, National Sales Director of Stop Loss Captives at AIG Benefit Solutions. “CAPvantage Select was developed to specifically meet this growing need.”

CAPvantage Select turnkey solution offers mid-size employers resources normally reserved for much larger companies including:

- Flexibility in plan designs
- Access to multiple National PPO Networks
- Lower pharmacy cost through a large coalition contract with a national pharmacy benefit manager
- Best-in-class health risk management programs, including clinical prevention services and specialized oncology medical management

AIG Benefit Solutions' ongoing commitment to develop innovative products, combined with Scott Captive Solutions' turnkey administrative program, uniquely positions CAPvantage Select as a premier Health Plan Option in the employee benefits marketplace.

"The strength that Scott Captive Solutions brings, as CAPvantage Select's program manager, is an asset to the product. They ease the administrative burden of implementing a captive program, while identifying groups committed to the risk management principles crucial to sustaining long term program success," noted Hosler.

For additional information regarding CAPvantage Select contact:

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About Scott:

Scott Captive Solutions, a division of James A. Scott & Son, Inc., is the largest independent, employee-owned provider of Risk Services, Benefit Services, Bonds, and Financial Management in Virginia, North Carolina and Tennessee. The company has offices in Lynchburg, Roanoke, and Richmond, Virginia; Greensboro, Raleigh and Charlotte, North Carolina; and Knoxville and Nashville, Tennessee, as well as Captive Insurance operations in Grand Cayman and Vermont.

About AIG Benefit Solutions:

AIG Benefit Solutions® is the marketing name for the domestic benefits division of American International Group, Inc., and offers a broad range of insurance products and services for the employee and affinity benefits markets, including life, disability and AD&D insurance; voluntary products including accident and critical illness insurance; business travel accident and standalone AD&D; and self-funding options including stop-loss, group captive and organ transplant insurance. The underwriting risks, financial and contractual obligations, and support functions associated with products issued by American General Life Insurance Company, The United States Life Insurance Company in the City of New York, and National Union Fire Insurance Company of Pittsburgh, Pa., are the issuing insurer's responsibility. The United States Life Insurance Company in the City of New York is authorized to conduct insurance business in New York. National Union Fire Insurance Company of Pittsburgh, Pa., maintains its principal place of business in New York, N.Y., and is authorized to conduct insurance business in all states and the District of Columbia. NAIC No. 19945. Not all policies are available in all states.