

CALIFORNIA BROKER

VOLUME 37, NUMBER 8

SERVING CALIFORNIA'S LIFE/HEALTH PROFESSIONALS FINANCIAL PLANNERS

MAY 2019

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Why a Future-Focused Approach Pays Off

By JILL SELBY

When sitting with a new Medicare-eligible client, it's easy to focus on the person in front of you—their current condition and what that means in terms of coverage needs and benefit priorities. But you might also want to have a conversation about their future needs. Considering what each client's unique health and life situation may be down the road can be a path to greater client satisfaction, more referrals and maximized revenue for your business.

With new regulations in place this year, Centers for Medicare and Medicaid Services (CMS) is giving Medicare Advantage (MA) health plans the flexibility to design more person-centered products that include the benefits and services many seniors will need to remain healthy and independent. Think transportation, meals, and in-home support like personal care and housekeeping. These are benefits that, traditionally, have not been covered by Original Medicare, but were allowed as part of the Social HMO pilot program years ago. SCAN Health Plan was one of only four Social HMOs

in the nation during this time, offering some of the in-home programs and support services Medicare is now starting to allow through MA.

This flexibility is good news for seniors. In a 2018 SCAN survey of 1,000 California adults 65 and older, nearly 90 percent said they prefer to stay in their homes as they age, which is to be expected. But in another survey by SCAN of U.S. seniors, a majority reported concerns about being able to age in place due to physical declines and other life changes they expect with growing older.

Age in Place—and Age in Plan

Regardless of the life and health changes your clients may experience, they depend on you to find the right plan for them year after year. That's why it makes sense to place your clients in a plan they can age with. After all, not all changes are predictable. I speak from experience.

It should come as no surprise that my parents are SCAN members. When they joined not long after retirement, they were active and healthy. That changed in an instant.

There was no gradual decline with age, where they could make adjustments over the years. They needed help immediately. And SCAN was there for them, from hospitalization to in-home support to therapy and transportation to ongoing care. It was the safety net they never imagined they'd need.

That's why, when considering which MA plans to recommend, I suggest you look beyond your client's needs here and now.

A New Lens for Healthcare Decisions

Having the ability to see beyond just the short term ultimately means helping your clients think differently about their healthcare decisions. Much of the future benefit flexibility will be most important to frail seniors and those with chronic conditions—probably not the typical new client you engage with on a daily basis. So, the challenge becomes: "How can I help my clients who are healthy and independent today understand the value of considering benefits and services they won't need until tomorrow?" As my parents can attest, no one really knows exactly what they'll need and when. The

fact is, for the vast majority of us lucky enough to live into our seventies, eighties and beyond, our needs will change, and we'll need a plan that will support us on that journey.

Even your most active clients would appreciate the peace of mind of knowing that their future needs will also be met with the plan choice they make today.

That said, your clients aren't the only ones who benefit from long-term relationships with their health plans. We've been hearing from many brokers that a majority of their activity during the last few AEP cycles has been rewriting existing business. This can slow your business growth and affect your bottom line. When your current clients are happy with their health plans, not only does this free you up from rewriting their business, they're more likely to provide you with referrals.

Look Beyond Products to the Plan Itself

In 2019, some MA plans began offering products that incorporated the new CMS allowances. As many as half of MA plans are ex-

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- Groups must satisfy standard CCSB binder payment requirements for enrolled employees to count towards incentive program payments.
- Business written through partnering General Agencies qualifies.
- CCSB intends to issue incentive payments 90 days following the effective month of a qualifying group. CCSB may modify its payment schedule at any time.

For a complete list of the program rules go to: bit.ly/AgentIncentive2019

CDI's Lara Reappoints Bystry and Roxborough

Insurance Commissioner Ricardo Lara announced two reappointments to the California Organized Investment Network (COIN) Advisory Board. In a written statement, Lara said CDI is committed to socially responsible investing in communities and the environment, and that board members are critical to ensuring public accountability. The reappointments include Douglas Bystry, president and CEO of the Clearinghouse CDFI, a for-profit community development financial institution, and Nick Roxborough, co-managing partner of Los Angeles law firm of Roxborough, Pomerance, Nye & Adreani, LLP. Bystry, who was first appointed in 2012, is considered an expert in affordable housing, community development and New Markets Tax Credit lending. Roxborough has been instrumental in numerous trial and appellate decisions concerning the insurance industry. He was first appointed to the COIN Advisory Board in March 2013.

BenefitMall Introduces Agency Workspace

BenefitMall announced its newest innovative technology, Agency Workspace. Agency Workspace will provide a home base for BenefitMall's technology for brokers to support their clients. Agency Workspace is instrumental in streamlining the management of a broker's BenefitMall book of business. Broker can use the tool to manage clients, start or review quotes, set up enrollments, view commissions or more.

CMS Will Give MA Plans More

The CMS announced it will raise average payments to Medicare Advantage plans by 2.53% in 2020, higher than the 1.59% hike first proposed by the agency. The agency will also give MA plans more flexibility starting next year to offer supplemental benefits to help address social determinants of health for people with chronic conditions.

Growing Importance of Social Determinants of Health (and their codes)

UnitedHealth and the American Medical Association are teaming up to push new billing codes that have to do with "social determinants of health," which they say hugely impact any person's health and well-being. Among the more than 20 new codes under consideration:

- unable to pay for prescriptions
- unable to afford child care
- worried about losing housing
- unable to count on family and friends
- feeling unsafe in current environment

While the codes wouldn't immediately lead to reimbursement changes, capturing data about a patient's social needs may be a step toward paying for interventions that address them.

Stanford Health Care Joins Sutter Health/Aetna

Sutter Health/Aetna announced that Stanford Health Care has joined the Northern California joint venture's network of health care providers. This marks the latest in the organization's efforts to provide members with access to some of the highest quality health care services available in Northern California. As a teaching institution, Stanford Health Care is on the leading edge of developing new procedures and therapies. This includes renowned expertise in areas such as cancer treatment, neuroscience, surgery, cardiovascular medicine, and organ transplants, and the implementation of the latest medical breakthroughs. The Sutter Health/Aetna network will include Stanford Hospital as well as more than 1,500 specialists and nearly 200 primary care physicians across Stanford Medicine located throughout the Bay Area, including physicians from University Healthcare Alliance and ValleyCare Physicians Associates. With the addition of Stanford Health Care, the Sutter Health/Aetna network now features two nationally recognized health care systems and access to a Northern California network that includes 33 hospitals, more than 1,700 primary care physicians, more than 9,400 specialists, 74 urgent care locations, and 25 walk-in clinics. All Sutter Health/Aetna joint venture members gained access to Stanford Health Care services on April 1.



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*Based on an October 2018 comparison of other UnitedHealthcare plans within the Choice Simplified portfolio.

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GTI Launches Precision Care Cancer Policy

Guarantee Trust Life Insurance Company announced a new cancer insurance policy called Precision Care. Precision Care provides access to and pays for the Translational Genomics Research Institute's (TGen) genomic sequencing tests and expert oncology consultations. The policy also provides a lump-sum cash benefit to help pay for other medical and non-medical expenses which can be costly while fighting cancer. Precision Care is approved in more than 30 states and will be available for sale through the company's network of independent agents and agency partners located throughout the country.

Assurance Launches Ensign for Term

Assurance, a leading FinTech technology platform provider of cloud-based sales acceleration tools for life insurance and annuity products, announced today the addition of term life insurance to Ensign™ Intelligent Quote, the next generation life insurance quoting platform. The integration of term life insurance makes Ensign™ Intelligent Quote the first 'single-entry' quoting platform to cover both principal product classes sold in the United States.

Agents Exempt from Dynamex

For many agents, CAHU is worth its weight in gold. The organization was instrumental in amending proposed legislation AB 5 (Gonzalez). This means agents are now exempt from the rigid ABC test created by the California Supreme Court's ruling on Dynamex Operations West Inc. v. Superior Court—better known as Dynamex. Dynamex could have required many 1099 independent contractors—including agents—to become W-2 employees.

Without the exemption, many insurance agents could have been forced to forgo their independent status. This would have negatively impacted agents and brokers by restricting commissions and the ability to work independently while impacting existing tax reporting and deductions. CAHU partnered with agent allies IIABCal and NAIFA to work on this issue.

Schwab Makes Big News By Moving from AUM to Flat Charges

There's huge news coming from Charles Schwab. The company announced that it was moving from an assets-under-management (AUM) fee to a flat monthly charge for its robo adviser. The move has been compared to a modern-day equivalent of May Day 1975, when the deregulation of commissions allowed for the creation of discount brokerages like Schwab.

Instead of a 0.28% AUM fee that Schwab had been charging, it will now charge clients a one-time \$300 financial planning fee and a \$30 flat monthly subscription. Fees will not increase with assets.

For a mere \$360 a year, clients in this service, which is being named Schwab Intelligent Portfolios Premium, will receive investment management, a financial plan and unlimited guidance from a certified financial planner—whether they invest \$300,000 or \$3 million.

New Study Says ACA Benefits Many Women

A new study published in the American Journal of Preventive Medicine concludes that the ACA has had "significant benefits" for women, with the greatest outcomes for low-income women. The study found:

Before the ACA, 40 percent of low-income survey respondents were uninsured. Afterward, that percentage dropped to 17 percent in 2014 and 11 percent in 2016.

The number of women in the lowest income group who said they had seen a doctor within the past year increased by 4.1 percent after the ACA was introduced. There was also a 2.3 percent increase in the number of middle-income women who saw a doctor in the previous 12 months following the ACA rollout. (No significant difference for high-income women, though.)

There were increases in blood pressure checks, cholesterol screenings and flu shots (between 3 and 7 percent) across all income groups after ACA policies went into effect.

The number of low-income women getting mammograms to screen for breast cancer increased almost 5 percent.

New Assessment Gives Insurers Innovation ‘Wellness’

ITL Advisory, the strategic consulting arm of Insurance Thought Leadership Inc., announced it is offering insurance companies a new innovation assessment service designed to evaluate whether their programs have critical elements for success—especially considering A.M. Best’s plan to begin evaluating insurance company innovation efforts.

Insurance rater A.M. Best recently released a draft of its proposed insurance innovation assessment process, kicking off a comment period before it formalizes the criteria and procedures that will form the basis for reviewing how comprehensive and effective an insurance company’s innovation efforts are.

ITL Advisory’s new assessment service is designed to provide insurance organizations with a quick, independent and confidential assessment of whether their innovation programs are on the right track and aligned with best practices, and that they contain essential elements to deliver a return on innovation investment. The assessment will help companies anticipate whether they are prepared for the Best review, or serve as a standalone check on their program elements. Info at insurancethoughtleadership.com.

Medicare Beware: Wellness Visits Not Same As Physicals

Kaiser Health News reports that some Medicare folks are confused. And rightly so. Apparently, Medicare picks up the tab for a wellness visit, an ACA-mandated covered benefit. However, Medicare doesn’t pay for an annual physical, which may include lab tests:

“...if a wellness visit veers beyond the bounds of the specific covered preventive services into diagnosis or treatment—whether at the urging of the doctor or the patient—Medicare beneficiaries will typically owe a copay or other charges. (This can be an issue when people in private plans get preventive care, too. And it can affect patients of all ages. The ACA requires insurers to provide coverage, without a copay, for a range of preventive services, including immunizations. But if a visit goes beyond prevention, the patient may encounter charges.)”

Meanwhile, some Medicare Advantage plans cover annual physicals for their members free of charge. Good to know!

EVENTS

CAHU Capitol Summit & Expo May 20-22, Sawyer Hotel, Sacramento

Join CAHU in Sacramento at the Sawyer Hotel for information about California and the future outlook for the industry. Hear from Commissioner Lara, representatives from the Governor’s office, legislators, political insiders and more about where California is headed. Work alongside peers and other members as CAHU works to educate representatives on the critical role of the agent. CAHU.org.

IICF Women in Insurance Global Conference June 12-14, 2019, New York City IICF.org.

NAHU Annual Convention—We’ll see you here! June 29-July 2, Sheraton San Diego Hotel & Marina

Keynote speaker is retired Master Sergeant Cedric King. Sessions focus on practical solutions for your business, including retaining today’s new workforce, buying or selling your agency, data transparency and alternative healthcare management. And there’s an expanded Medicare Extreme with proven practices and important trends on changes in Medicare, technology solutions, growing your business with group sales. Plus plenty of opportunity to visit with a variety of vendors and network with colleagues. NAHU.org.

‘Medicare for All’ Sounds Good to Some, But

By ERIC WILSON



Since before the Affordable Care Act was signed into law in March of 2010, there have been talks about the United States moving toward a “Medicare for All” program, or a single payer system, or a government run health care system or socialized medicine.

In countries such as Canada, France and Germany, the government pays for health care provided by private companies. Medicaid and Medicare is the United States examples of this. Socialized medicine is when the government pays and provides the services, however. The United Kingdom operates this way. Here, the U.S. Department of Veterans Affairs (VA) works in this fashion.

Before the passage of the ACA there was talk of a “public option.” This would have been a form of health insurance provided by the government that could have been purchased by individuals. The idea was to have a not-for-profit

entity compete with private insurance companies. As a compromise, 23 not-for-profit insurance carriers were created. Most did not survive two years.

During the 2016 Presidential Campaign, Bernie Sanders (I-Vermont) while campaigning on the Democratic primary introduced “Medicare for All.” His plan design is not really Medicare for All, but a single payer system. It would expand Medicare coverage and eliminate deductibles. Currently there are insurance carriers involved in the Medicare system. There are both Medicare Supplement plans which “supplement” what Medicare does not pay for, as well as Medicare Advantage plans, which replaces Original Medicare and is run by private insurance companies. Sanders’ plan would eliminate that. Sanders’ plan would be a four-year phase in plan which would begin with those 55 and over then move to 45 and then 35 and in the fourth year be extended to everyone. His plan also covers things such as

dental and vision, which are not covered by most Medicare plans.

The funding for the Sanders’ plan is still kind of unclear. We don’t know how it would be funded. He proposed many new taxes and tax increases, but all of those taxes proposed would generate revenue for the plan of around \$16 trillion over 10 years. The Urban Institute estimates his plan would cost around \$32 trillion over 10 years. In 2018, federal revenues totaled roughly 3.4 trillion. Senator Sanders did introduce this bill in 2017. It did not pass.

Fast forward to 2019 and here we go again. Rep. Pramila Jayapal (D-Washington) and Rep. Debbie Dignell (D-Michigan) have unveiled the Medicare for All Act of 2019. This bill goes even further than Sanders’ bill. In some ways it’s similar to the Sanders proposal as it would eliminate co-pays and deductibles and include dental and vision care. Senior citizens currently on Medicare would also be rolled into this plan. And it would leave only two

Then There's Reality

government plans intact: The Veterans Health Administration and the Indian Health Service would remain unchanged.

The big departure from the Sanders' bill is that the transition period would only be two years instead of four. And it would include things such as long term care. So far, there is no discussion on how to pay for it.

There are many concerns, not the least of which is cost. How does our country justify the cost of over \$30 trillion when we are already more than \$22 trillion in debt? And, according to recent estimates, Medicare is still at risk of running out of money around 2026.

If Medicare were to become insolvent, doctors, hospitals and other healthcare providers would be paid less, or only a portion of agreed upon fees. We are already seeing some doctors no longer accepting Medicare patients. Medicare pays them less than private insurance. As people get older, they require more medical care. That means more trips to the doctor and the hospital. Oftentimes these appointments are longer than a younger person and many of the illnesses require more testing for diagnosis and more monitoring. Doctors and hospitals have to be paid a fair wage or they will not accept the coverage. We are seeing a rise of doctors becoming what is called "direct primary care" physicians. These are doctors who do not accept insurance, but charge a monthly subscription for their service. If they are not paid a fair wage, you will see an even bigger shift toward the direct primary care model.

Do you remember when President Obama was trying to sell the Affordable Care Act to the American People? Famously now, 36 times President Obama said you could keep your plan if you like your plan. That turned out to be untrue. After the passage, people had their plans cancelled because they no longer complied with the law. Other insurance carriers left the market place because the policy requirements were too great for some of the smaller carriers. Then some doctors and hospitals stopped accepting the plans because the reimbursements were too low. Several million people were upset that they could not keep their plan or their doctor. Many had their insurance plans cancelled years in a row. In the event that we go to Medicare for All, that would eliminate private insurance. Currently roughly 177 million people have a private insurance policy. In 2017, according to the Kaiser Foundation 156.2 million people were insured by their employer and 20.5 million had insurance directly through insurance companies. According to a Gallup data poll, 70% of those with private insurance like it. So the idea of that many people affected is a challenge.

Not only do you lose your private insurance, but then come the taxes required to pay for it—not just on the rich, but the middle class as well. Then if there is no more health insurance, everyone reading this will need to reinvent himself or herself! Beyond agents and brokers, think of all the people who work for Blue Cross and Blue Shield, or United Health Care. Of course, the companies would no

longer need underwriters, customer service representatives or even claims personnel.

Senator Sanders frequently looks toward the Canadian single payer system as a model for his plan. According to the Fraser Institute, a Vancouver-based think tank, Canada's system forced over 1 million patients to wait for necessary medical care last year. To be fair, that was a record high for the country. But long waits and rationed care are not unusual to Canada and other single payer nations. Rationing is limiting the care one gets or refusing to pay for certain medical procedures. Sometimes you have even greater limits on the terminally ill. Rationing in a single-payer system becomes necessary because health care needs are endless, but resources are not.

The Fraser report noted that in 2017 more than 173,000 patients waited for an ophthalmology procedure. Another 91,000 had to wait for a general surgery and 40,000 for a urology procedure. After receiving a referral from a general practitioner, a typical patient waited 21 weeks to see the specialist. In rural areas, that wait time is even longer. A typical patient in Nova Scotia waited almost 39 weeks for the same referral.

So next time someone tells you we need Medicare for All, here's a good reply: okay, but how long are you willing to wait for your health care?



Eric Wilson is President of I Sell Health, Inc. A Chicago area health insurance agency.

5 STRATEGIES TO STAY COMPETITIVE AS A BENEFITS BROKER

In a day and age where catastrophic claims are becoming more common, the need for affordable “specific stop loss” coverage has never been greater.

By TRACY FUNK

Seismic shifts in the employee benefits space—especially with regards to how employees engage with benefits—show a strong demand for a seamless benefits package, one with personalized enhanced benefits tailored to the unique needs of employers and their employees. To meet that demand and remain relevant, brokers must become partners. They must learn about their clients’ enrollment participation, cater to employee benefits preferences, and most of all, eschew the traditional model of benefits planning that only offers standard core benefits or a grab-bag of stale voluntary benefits.

Here are five tips to help brokers stay competitive in today’s employee benefits environment.

1) Be a Benefits Advisor by Focusing on Employer Needs and Wants

Instead of viewing yourself as a bene-

fits broker, consider your role a benefits advisor. Take the time to evaluate your client’s understanding of their benefits and the employees’ enrollment participation. You might uncover pain points that can easily be solved with the right set of benefit offerings. As you familiarize yourself with the enrollment and benefits issues specific to your client, you can leverage that information to communicate a targeted enrollment plan with tailored recommendations that deliver maximum value and impact. Brokers who act as advisors and who understand the issues of employers will continue to stay relevant, and become more valuable.

2) Stop the Product Dump of Benefits

Often employers are concerned about one primary issue: containing benefits costs. If the benefits package you offer includes a number of benefits that employees choose not to elect, the employer is left with a

huge loss on their investment. The one-size-fits-all mentality of a product dump flies in the face of a seamless benefits package. You run a similar risk by outsourcing to carrier representatives who lack the historical knowledge of your client to provide meaningful benefits options. Both of these tactics can ultimately lead to employers overspending on benefits that don’t fit their company. Instead, recommend thoughtful, personalized benefits based on the employer’s individual needs.

3) View “Voluntary Benefits” as “Enhanced Benefits”

Benefits outside of traditional, core offerings are gaining momentum among employees. A 2018 Willis Towers Watson study showed that more than two-thirds of employers (69 percent) believe these benefits will be a very important component of their employee value proposition in three to five years. Al-



though these are referred to across the industry as “voluntary benefits,” there are opportunities to communicate with clients how these benefits are integral to a rounded, holistic benefits plan. To positively communicate the value add to a client’s basic benefits, frame these benefits as “enhanced benefits.” It’s possible to further break down these enhanced benefits into two types: “core” enhanced benefits (dental, vision, accident, critical illness) and “supplemental” enhanced benefits (telemedicine, ID theft protection, student loan repayment, pet insurance). A unique set of benefits will empower employers to become more competitive in talent acquisition and keep employees happy.

4) Start the Benefits Conversation Before Open Enrollment

Discuss benefits options early on with your client, before open enroll-

ment, allowing them time to explore and assess the value of your recommendations. Often the biggest hurdle in having the benefit enrollment conversations too close to open enrollment is the sticker-shock from rate increases. That blow can be softened significantly by discussing options ahead of time. Your clients want a year-round benefits strategy, so waiting until renewal season or open enrollment to tackle your clients’ issues is far too late. By proactively discussing benefits and attendant issues, you as a broker put yourself far ahead of the pack.

5) Use Benefit Administration and Communication Tools

Brokers must brace themselves for the upheaval of traditional benefits packages. The old model of poor cost-containment, product dumps, and mediocre communication will lead to the disintermediation of benefits brokers altogether.

Don’t be eclipsed by an ever-changing market. At Hodges-Maces we offer state-of-the-art benefit administration and communication tools. We also have a partnership program called SmartBridge. Most important, we’re transparent with how we work with other brokers to execute successful benefits strategies for our clients.



Tracy Funk is VP of carrier solutions for Hodges-Mace, where she is the conductor of carrier relationships. In this capacity she works with internal sales and operations teams, as well as consulting partners to ensure the success of mutual clients. Tracy has a broad range of experience from formulating private exchange and ACA compliance strategies to overseeing home office worksite operations. She graduated from the University of New Hampshire with a business administration degree. Contact Tracy at tracyfunk@hodgesmace.com or <https://www.linkedin.com/in/tracy-funk/>.

CALIFORNIA BROKER

VOLUNTARY BENEFITS SURVEY 2019

Compiled by THORA MADDEN

Voluntary employee-paid benefits—called supplemental benefits by some carriers—are continually popular. These benefits offer employees the convenience and the discounted rates that they wouldn't have access to on the individual market. But how do you choose which voluntary or supplemental benefits to present to clients? *Cal Broker's* annual survey of insurance carriers helps insurance agents and brokers stay on top of plan changes from year to year. Dive in below. And please email us if there's something you'd like added to next year's survey: editor@calbrokermag.com.

1. Please list the voluntary/employee-paid benefits that you offer along with the minimum group size for each offering:

Rich Williams, Executive Vice President and Chief Distribution Officer, Aflac:

Aflac's supplemental insurance plans can complement any benefits package by offering an additional layer of financial protection if the unexpected happens. Aflac offers the best of both worlds—group and individual products ranging from accident and disability to hospital and vision. In addition, the plans offer direct-to-the-insured cash benefits, unless otherwise assigned, to help cover what other insurance plans may not. Aflac pays cash benefits quickly—oftentimes in as little as one business day*—so insureds can focus on

getting better instead of their finances.

Individual insurance policies available through Aflac:

- Accident
- Cancer/Specified-Disease
- Critical Care & Recovery
- Dental
- Hospital Confinement Indemnity
- Hospital Confinement Sickness Indemnity
- Hospital Intensive Care
- Life
- Lump Sum Critical Illness
- Short-Term Disability
- Vision

Group insurance plans available through Aflac Group:

- Accident
- Worksite Disability
- Dental
- Critical Illness
- Hospital Indemnity
- Worksite Life

Clients are requested to establish an account by completing and signing a Payroll Account Acknowledgement form and allowing three separate W-2 employees to apply for at least one Aflac policy. Aflac Group requires a minimum of 25 payers to establish group billing.





Rich Williams,
Aflac



Chris Della Sala,
Colonial Life



Joe Stefano,
Guardian



Tim Jander,
MetLife Group
Benefits

**Chris Della Sala, Territory Sales Manager,
Southern California, Colonial Life:**

Colonial Life provides a wide array of voluntary benefits, all of which can be employer-paid, including short term disability, life, dental, accident, critical illness, and hospital confinement. Our offerings are available down to employer groups of three eligible lives.

**Joe Stefano, Divisional Vice President,
Western US, Guardian:**

- Guardian offers voluntary Accident, Accidental Death & Dismemberment, Cancer, Critical Illness, Dental, Hospital Indemnity, Life (Term and Permanent), Long Term Disability, Short Term Disability and Vision.

- We offer Permanent Life to groups of at least 26 lives.
- Voluntary Term Life, Accidental Death & Dismemberment, Short Term Disability and Long Term Disability require a minimum of four enrolled employees.
- All of our other voluntary group coverages can be offered to groups with as few as two employees.

**Tim Jander, Regional Vice President,
Irvine, CA, MetLife Group Benefits:**

MetLife offers a comprehensive suite of complementary employer-paid and employee-paid employee benefits products. In addition to traditional voluntary, employee-paid options for life, dental, disability and vision insurance for employers with 10+ employees, MetLife and its affiliates offer the following voluntary/employee-paid benefits:

- * Auto & Home (employers with 200 or more employees); underwritten by Metropolitan Property and Casualty Insurance Company and its affiliates: Metropolitan Casualty Insurance Company, Metropolitan Direct Property and Casualty Insurance Company, Metropolitan General Insurance Company, Metropolitan Group Property and Casualty Insurance Company, and Metropolitan Lloyds Insurance Company of Texas, all with administrative home offices in Warwick, RI.

- * Group Legal (employers with approximately 10 or more employees) through Hyatt Legal Plans, Inc., Cleveland, Ohio, or, in certain states, underwritten by Metropolitan Property and Casualty Insurance Company, Warwick, RI, and in Florida provided by Hyatt Legal Plans of Florida, Inc.

- * Accident & Health (Critical Illness, Accident and Hospital Indemnity) for employers with 100 or more employees

2. Do you have any benefit offerings for employees that work fewer than 40 hours a week?

Williams, Aflac:

Yes. Aflac’s individual and group plans are available to full-time employees, as defined by your client, who work less than 40 hours per week. Please note the following:

- Individual accident and short-term disability policies—Employees must work a minimum of 19 hours per week.
- Group plans—Employees must work a minimum of 16 hours per week with the exception of group disability. Employee must work a minimum of 19 hours per week in order to be eligible for worksite disability and 20 for true group disability.

Della Sala, Colonial:

Yes, we offer flexible benefits solutions to employees that work both full-time and part-time down to 20 hours per week.

Stefano, Guardian:

Yes. Guardian offers benefits to employees that work less than 40 hours a week. Our product offerings vary according to whether the employee works 30 hours or 20 hours a week.

Jander, MetLife:

Yes, MetLife and its affiliates work with each employer to determine the eligibility requirements for the employee population.

3. Do you offer flexible enrollment data, billing capabilities and processes that work with the employers’ systems instead of the other way around?

Williams, Aflac:

Yes. Aflac has the tools and flexibility to meet the unique needs of businesses of all sizes—from personalized benefit consultations with employees, to benefits marketing and education, to enrollment solutions. We will work with employers to design a seamless enrollment experience tailored to their business.

Aflac has found that the key to a great billing experience is understanding the client’s technical and payroll capabilities and assisting them with selecting the billing option that best fits their wants and needs. Aflac has the ability to work with employers’ systems and transmit billing data to an account in a variety of different ways. If an employers’ system does not seem like a good fit, Aflac and Aflac Group also work with a wide range of third-party billing companies in

order to make the billing process as easy as possible for our customers.

Della Sala, Colonial:

Yes. Colonial Life's Harmony enrollment system is built to accommodate the many unique needs businesses have for enrollments and data reporting and can often suffice in place of a costly benefits administration platform. We can also provide employers with daily enrollment reporting that shows which employees have been seen and which coverages they've elected so that plan administrators can assess their benefit enrollment progress daily and make any necessary adjustments in real time.

We also offer additional flexible enrollment solutions, including the ability to integrate real time with other benefit administration and HRIS systems. This allows users to enroll in their core benefits on a vendor's platform and seamlessly bridge to our Harmony enrollment system and elect their voluntary benefits. We also offer the option to build out our products on another benefits administration or HRIS system for qualified customers.

Lastly, we offer several convenient electronic services for businesses that allow them to receive their bills, make payments and adjust their bills, as necessary, online.

Stefano, Guardian:

Yes. Guardian has tools in place to meet the unique needs of businesses. With respect to enrollment data, we have electronic data connections with over 300 entities. We leverage Electronic Data Interchange file transfer process: member data is sent quickly and securely via a secured transfer protocol. In addition to our own online enrollment portal, we also have partnerships with multiple benefits technology vendors for benefits enrollment and administration. Additionally, we also accept post enrollment data on paper.

With respect to billing, we offer traditional group billing which includes List Bill, Self-Bill and Self-Admin billing options. For voluntary products, Guardian also offers more flexible payroll billing, and finally with payroll billing, we can support the following: monthly variable billing, payroll frequency billing, seasonal billing, billing in arrears, payroll slotting, and flexible payroll deduction reports.

Jander, MetLife:

Yes, MetLife is able to work with most payroll systems.

4. Do you offer the flexibility to conduct enrollments

through one-on-one benefit sessions, group meetings, call centers, and online self-enrollments?

Williams, Aflac:

Yes. Aflac has the flexibility to conduct enrollments through each of these methods – one-on-one benefit sessions, group meetings, call centers and online self-enrollments. However, the availability of each method is determined by the number of eligible employees and state regulations.

Della Sala, Colonial:

This is at the core of what Colonial Life does day in and day out all across the nation. We offer a full spectrum of benefits communication and enrollment options, including group meetings, one-on-one sessions, webinars, call centers, co-browsing and online self-enrollments. Our national team of local, professional benefit counselors uses the Harmony enrollment system and other custom tools to communicate benefits to employees face-to-face so they can make more educated benefits decisions. For hard-to-reach employees, we can offer the same benefit communication and education experience by co-browsing with employees on the Internet, meeting through a call center, or setting up online self-enrollments.

Stefano, Guardian:

Guardian supports one-on-one benefit sessions, group meetings, call centers and online self-enrollments either using a company's own internal team or by partnering with Enrollment Firms.

Online:

- Guardian Anytime enrollment platform
- Broad range of benefits administration solutions (10+) based on a company's needs

- Digital and online communications and videos

Onsite:

- Guardian appointed enrollers for group meetings
- Educational presentations, webinars, videos, digital and online communication tools

- Broker/enroller-led face-to-face (through enrollment firms)

On Paper:

- Group-specific enrollment booklets
- Direct mail and desk drop communications
- Posters, flyers, forms and product guides

On Phone:

- Employee Benefits Hotline for case installation

...the key to a great billing experience is understanding the client's technical and payroll capabilities and assisting them with selecting the billing option that best fits their wants and needs.

**Rich Williams,
Aflac**

- Call Center Assisted Enrollment (through enrollment firms)

Jander, MetLife:

Yes. MetLife's simplified approach to enrollment leverages easy-to-use materials that help make the process smooth and drive employee engagement and participation. MetLife and its affiliates conduct enrollments/application processes through group meetings, our call center, and online. We work with the broker and employer to determine which enrollment/application channels will provide the best experience for a particular employee population.

5. Do you honor broker-of-record letters?

Williams, Aflac:

Yes.

Della Sala, Colonial:

Absolutely. As we all know, this is a very common aspect of our industry; we honor BOR's as we receive them, make the necessary changes and communicate those changes.

Stefano, Guardian:

Yes. Guardian honors broker-of-record letters.

Jander, MetLife:

Yes, MetLife will honor written request from an authorized officer of a policyholder to recognize a broker or other intermediary as broker-of-record for purposes of providing such broker or other intermediary with information and/or paying commissions, provided of course that such request is not inconsistent with law or any in-force compensation agreement.

6. Do you offer simple and hassle-free account billing and payment processes?

Williams, Aflac:

Yes. Aflac's goal is to make billing and payment of premiums simple and hassle-free for your client. Aflac's systems are flexible to accommodate a variety of billing methods and handle almost any type of billing layout.

Della Sala, Colonial:

Simplified billing management is a critical aspect of our customer service model. We offer many electronic servic-

es for businesses that allow them to conduct transactions online such as receiving their bills, making payments and making any necessary billing adjustments. Each account has a specified billing manager who is assigned to them and serves as that plan administrator's single point of contact indefinitely, so that when they need help, they have a specific person they can reach out to directly. If necessary, we can also provide plan administrator training on best practices for billing processes to keep the invoice reconciled and clean ongoing.

Stefano, Guardian:

Yes. Guardian offers a range of billing and payment options, from online to paper to electronic fund transfer, to help meet the varied needs of employers and ensure ease of administration.

Jander, MetLife:

Yes. A single bill file platform is available for all voluntary benefit group products, which allows a single customer payment on a per-pay period or monthly basis. Unlike the other group products, MetLife Auto & Home enrolls employees individually.

7. Does your billing system allow plan administrators to make online deletions and changes to their plan account?

Williams, Aflac:

One of Aflac's billing options is an online invoicing portal for the account to review current participants, plan levels and billing information. This portal is where the account would reconcile their invoice monthly. Your clients are able to safely update, reconcile and pay their Aflac invoice electronically. This automated service enhances accuracy, speeds transactions and minimizes paperwork. Your client can save time and money, as their electronically remitted payments and changes are processed faster.

Della Sala, Colonial Life:

Yes, Colonial Life offers online billing capabilities. A plan administrator also has the ability to make changes online, as well as update employees' coverage and general information through our secure website.

Stefano, Guardian:

Yes. Guardian's benefit website offers a one-stop source

for plan administrators to manage their account online, including submitting eligibility changes that affect their bill. Plan administrators have the flexibility to recalculate their bill online to account for added and/or deleted members. Additionally, if a plan administrator is using a ben admin Guardian integrates with, the plan administrator can make changes in the ben admin and Guardian will receive updates from the ben admin via data feeds.

Jander, MetLife:

Yes. Through our online billing system per pay period deduction amounts can be changed in accordance with each payroll run. Unlike the other group products, MetLife Auto & Home enrolls employees individually.

8. Does your billing/payroll deduction process make it easy for the employer to offer multiple products?

Williams, Aflac:

Aflac offers many billing options designed to meet a variety of needs. Aflac can handle almost any type of billing layout and accommodate several billing methods (e.g., list bill, self-bill, summary bill, self-accounting).

Della Sala, Colonial:

Colonial Life's process allows for the ability to enroll an employer's core and voluntary benefits and provide the account with enrollment data on all employee elections in an easy-to-use, customizable spreadsheet. Employers can electronically submit this information through our secure website, and Colonial Life reconciles the bill to eliminate any additional work for the employer.

Stefano, Guardian:

Yes. Guardian offers a single bill (online or in the mail) for all Guardian coverages a client has in order to ensure the payment process is easy to manage. In addition to standard List Bill, Guardian also supports, Self-Bill and Self-Admin Billing.

Jander, MetLife:

Yes. MetLife can allow for a single voluntary benefit deduction for numerous benefits or separate deductions for each benefit on one single bill.

9. Does your system offer online searches for employee policy status, coverage effective dates

and policy/coverage type?

Williams, Aflac:

Aflac offers online services for policyholders who have an individual insurance policy. Policyholders can log on to myaflac.com 24/7 to do the following:

- Download claim forms and check claim status.
- Access policy information.
- Update personal profiles.
- Request forms or copies of their policies.
- Obtain contact information of their Aflac agent.
- File claims quickly using Aflac SmartClaim®.

Della Sala, Colonial:

The plan administration section of our website does exactly this—offers online searches for employee policy status, coverage effective dates, policy/coverage type, and more.

Stefano, Guardian:

Yes. Guardian's online platforms enable administrators to manage their account online, including look ups for an employee's policy status, coverage effective date and policy/coverage type.

Jander, MetLife:

Our online billing system allows the employer to sort the bill by different criteria for group products. MetLife Auto & Home enrolls employees individually.

10. Do you offer downloadable claim forms?

Williams, Aflac:

Yes. Aflac policyholders who have an individual insurance policy may download claim forms from myaflac.com, and for group claims, forms can be downloaded on aflacgroupinsurance.com. Individual products offered by Aflac can also be filed online via Aflac SmartClaim® (Aflac.com/claims). Online claims submissions are available for group and individual policies

Della Sala, Colonial:

We put a great deal of effort into making our claims process as simple as possible and it's something we pride ourselves on. Policyholders and plan administrators can download and print Colonial Life claim forms on the company's website at www.ColonialLife.com. We also offer simple to use claims submission capabilities via our online claims pro-

We offer many electronic services for businesses that allow them to conduct transactions online such as receiving their bills, making payments and making any necessary billing adjustments.

Chris Della Sala,
Colonial Life

cess that can expedite our evaluation and claims process, although most of our claims are already paid in one day once all of the claims paperwork has been submitted.

Stefano, Guardian:

Yes. Guardian’s online platforms enable plan administrators and members to manage their account online, including the ability to download claim forms or e-mail a claim form directly to someone.

Jander, MetLife:

Yes. For several product offerings that require claim forms. In addition, MetLife Auto & Home accepts towing claims online in many states.

11. Do you require carrier reps. to have a comprehensive knowledge of all of the products they deal with?

Williams, Aflac:

Yes. Aflac’s broker sales professionals and agents go through a process to learn about products and processes particular to the company.

Della Sala, Colonial:

Colonial Life has a 10,000-member national organization of benefits professionals and educating them is key to our ensuring that our customers are receiving nothing but the highest level of service. These individuals receive comprehensive product training through Colonial Life College, field training, online mastery tests, and classroom training on both voluntary products and core benefits. One of our areas of expertise is helping employees better understand their benefits programs in totality, uncover their unique insurance needs and select the coverage they need to protect themselves and their families from financial risk.

Stefano, Guardian:

Yes. Guardian sales representatives achieve a high level of comprehensive knowledge of the Guardian products they represent through intensive and ongoing training. Guardian has a dedicated sales training team that helps to on-board new sales representatives and provides ongoing regular training via virtual and classroom settings. Additionally, sales teams have access to Practice Leaders for Life, Disability and Supplemental Health products that they can leverage to gain additional product knowledge.

Jander, MetLife:

Yes. Our licensed representatives specialize in voluntary benefits and have extensive experience in designing benefit programs.

12. How does your company support good working relationships between brokers and carrier reps?

Williams, Aflac:

Aflac has a strong history of working with brokers. In 2015, Aflac established a national, W-2 team of experienced insurance professionals focused on broker partnerships and large employers. Since then, we have continued to expand and evolve our model so we are able to serve large national brokerage houses as well as smaller, regional broker firms. Our professionals are assigned by broker, giving them the best opportunity to build relationships and ensure Aflac is meeting the needs of our partners.

Della Sala, Colonial:

Colonial Life places a high priority on working with brokers to help solve their clients’ benefit challenges. We have broker market managers in each of our territory offices nationwide who are dedicated to strengthening broker relationships both locally and nationally.

Stefano, Guardian:

With one of the longest-tenured sales forces in the employee benefit industry, Guardian has a history of understanding the needs of growing businesses, which strengthens good working relationships. Guardian’s promise is to give brokers more ways to take good care of their clients. Our flexible and comprehensive product portfolio and responsive, personalized service support local relationships in delivering on this promise. Additionally, Guardian has practice leaders that help representatives position / explain Guardian solutions such as Worksite and Absence Management. Guardian also has a Strategic Partnerships team that facilitates stronger partnerships with broker firms at the local and national level to develop unique solutions to meet client’s needs.

Jander, MetLife:

Our representatives work closely with brokers and consultants to help provide solutions that meet the needs of their clients.

13. Do you offer marketing materials that are easy to

present and simple for clients to understand?

Williams, Aflac:

With more than 60 years of experience in supplemental insurance and a brand that nearly 9 out of 10 people recognize today, Aflac's worksite marketing materials are designed to create awareness, greater understanding, and increase participation in benefit programs. Whether supporting a small business or large corporation with complex logistics, Aflac can help your clients reach employees through various channels, such as:

- Brochures and flyers
- Posters and tent cards
- Payroll stuffers and direct mail
- Product videos
- Microsites, web banners and emails
- Sponsored ads on social media
- Augmented reality
- Beacon technology
- Geotargeting

Della Sala, Colonial:

We make marketing materials available for our sales agents and brokers to use in educating customers and employees on their benefits...that is at the core of what we do. Many of our marketing materials can also be co-branded for brokers to use and we have a wide array of digital marketing materials as well, from product information to consumerism-related pre and post enrollment data where we can embed links, videos, and many other valuable items.

Stefano, Guardian:

Yes. With last year's launch of our new brand Everyone Deserves a Guardian, both print and digital marketing materials reflect our brand's commitment to be simple and approachable for today's consumers. We also understand that customization is key in helping create awareness and understanding of our insurance products. As a result, we offer standardized and semi-customized marketing material for the smaller end of the market. For larger cases, in addition to our standard materials, we can also provide customized marketing materials. Additionally, our Enrollment and Technology Consultancy team works to ensure there is a well-planned employee level communications strategy in place.

Jander, MetLife:

Yes. We offer a broad range of materials that are easy to understand and demonstrate the value of voluntary benefits to employees. MetLife will work closely with brokers and their clients to understand an employer's workplace culture, communications style and preferences. This approach, coupled with our experience and knowledge of proven communications practices, will help to ensure that the simplest and most effective communications are implemented.

14. How do you track the quality of the customer service you provide to employers? For example, do you set annual service goals and measure and report results?

Williams, Aflac:

Aflac constantly measures our customer satisfaction level with policyholders and business accounts in a variety of ways, such as surveys and audits, to ensure we are meeting our established customer service goals and standards. We monitor satisfaction with the total Aflac experience as well as satisfaction with enrollment, claims and billing. Aflac's customer service quality program is administered by our Quality Assurance department. Each major business function, (i.e., primary, claims, and specialty) is sampled monthly. Additionally, for quality scoring, a minimum of five audits per month for each customer service center representative are guaranteed. All scoring and error trending are reported weekly, monthly and quarterly to management. Aflac's Internal Audit Department also conducts audits by line of business in addition to their annual assessment of internal claims controls.

Della Sala, Colonial:

Colonial Life strives to provide superior customer service to all of its 3 customer groups: brokers, employers and policyholders. The company sets internal annual customer service goals and results are measured quarterly. Colonial Life also works with independent research firms to conduct ongoing surveys of plan administrators and policyholders and reports those results externally through news releases. In addition, all employees who meet with a Colonial Life benefits counselor are asked to rate their one-to-one benefit counseling experience following their enrollment. Every account participating in the post-enrollment survey receives a report card with the survey results.

Over the last few years, we have developed new voluntary and supplemental health products, enhanced existing ones, and invested in new and innovative capabilities designed to support them.

**Joe Stefano,
Guardian**

Stefano, Guardian:

Guardian puts the customer first, so we make it a priority to ensure our customers are getting the best service and that we are meeting their needs. We set goals, track and report the results each year. We also do regular Voice of the Customer surveys and monitor our Net Promoter Score and Customer Effort Score to make sure we are hearing what is important to our customers. For our Large Market customers, we have a dedicated Account Services manager who handles all service related items related to the group.

Jander, MetLife:

We provide utilization and participation reports to employers at their request. We also monitor our customer satisfaction levels through our call center on an ongoing basis.

15. Do you have an established local sales and service team that can provide critical service in the same cities that the broker’s clients are in?

Williams, Aflac:

Yes. Aflac has a team of independent sales agents licensed to sell Aflac products throughout the United States. Aflac’s certified enrollers are available to service multi-location accounts, and we have a national sales coordinator team to manage these relationships. In addition to Aflac’s sales agents, the company also offers a team of dedicated broker sales professionals in every major metropolitan area to support and service Aflac’s brokers and their clients. Aflac’s agent distribution model and broker channel can help you manage your clients’ open enrollment needs no matter the size or location.

Della Sala, Colonial:

With more than 45 territory/state offices across the country and a national team of 10,000 sales professionals, we are able to provide local enrollment support and service for all of

our broker partners’ clients, no matter where they are. Many of the company’s accounts have thousands of employees in dozens or even hundreds of different locations across the country and as a result of our large distribution network, we are able to provide on-site benefits counselor support just about anywhere in the country without incurring the typical costs associated with leveraging an enrollment firm, such as air travel, hotel stays, per diems, etc. It enables us to offer the most thorough, personal, and comprehensive enrollment possible without it resulting in any additional expenses for our broker partners or their clients. Other valuable services that we can offer at no direct cost include free dependent verification, discount program for health items, wellness benefits communication and more. The goal is for the company’s benefits counselors to build strong relationships with employees in the account and help with future enrollments and ongoing service needs.

Stefano, Guardian:

Guardian has more than 40 local sales offices nationwide to support the needs of brokers and their clients. We have Regional Sales Directors, Regional Service Managers, Sales Reps, Account Managers and Key Account Managers that support the sales and service function at the regional level.

Jander, MetLife:

Yes. We have representatives that specialize in voluntary benefits throughout the U.S.

16. Do you have a sales rep. and a service rep? (The sales rep helps the broker market and position products, manage blocks of business, and develop target markets. The service rep. helps implement and fulfill account enrollments.)

Williams, Aflac:

Yes. Aflac has W-2 broker sales professionals and designated service teams that support our broker channel. The

Our sales and service teams work closely together to meet the needs of our brokers and customers...to deliver information effectively, simplify decision-making, and increase employee engagement and satisfaction.

**Tim Jander,
MetLife Group
Benefits**

service teams will lead the broker and client throughout the implementation and ongoing administrative process.

Della Sala, Colonial:

Role specialization is a key element of Colonial Life's field service model. Sales professionals work with brokers and their clients to help devise voluntary benefit strategies that will solve needs and overcome benefits challenges clients are experiencing. Account coordinators help manage the enrollment logistics and reporting. And benefits counselors meet individually with all employees to educate them on their benefits in person, telephonically or via co-browsing, help uncover any unmet needs and identify insurance plans to meet their unique needs.

Stefano, Guardian:

Yes. Guardian has local sales representatives to help brokers market our products. We also have Account Managers & Key Account Managers dedicated to growing the business, renewal placement and persistency. Additionally, we work with operational staff the ensure cases are implemented smoothly, and we've met the needs of the client.

Jander, MetLife:

Yes. Our sales and service teams work closely together to meet the needs of our brokers and customers.

17. Do you specialize in voluntary benefits?

Williams, Aflac:

Aflac is the No. 1 provider of supplemental insurance at the worksite (Eastbridge, 2018). Aflac offers individual and group products as well as a portfolio of value-added services. Aflac is a leader in providing policies that pay cash benefits directly to insureds, unless otherwise assigned. With our broad portfolio of offerings, Aflac's solutions suit virtually every business size and type. From three employees to

320,000, Aflac can fit easily within almost any benefits package. Many times, companies tend to use the same approach to market similar benefits. Aflac is different. We back our plans up with the following:

- Innovative marketing campaigns.
- Strong financial stability.
- Brand recognition.
- A solid company reputation.
- Responsive claims and customer service.

Della Sala, Colonial:

Yes. When Colonial Life was founded in 1939, it sold accidental death coverage to individuals. In fact, the company pioneered the concept of offering voluntary benefits at the worksite in the 1950s. Colonial Life has always marketed only voluntary benefits, and during the 80 years it has been in business, the company has developed strong expertise and experience in the voluntary benefits industry.

Stefano, Guardian:

Yes. Guardian ranked #6 in total voluntary/worksites sales in 2017 (LIMRA, 2017) and had the 4th highest sales growth among the top 10 market share leaders since 2014. Guardian has a broad product portfolio and products can be offered on an employer paid, contributory or fully employee paid basis. Over the last few years, we have developed new voluntary and supplemental health products, enhanced existing ones, and invested in new and innovative capabilities designed to support them.

Jander, MetLife:

Yes. MetLife and its affiliates make it simple and cost-effective to offer and administer voluntary benefit solutions that meet diverse employee needs and enhance benefits programs. Best of all, our expertise and tools streamline the process to deliver information effectively, simplify decision-making, and increase employee engagement and satisfaction.



By **DAVID L. FEAR, SR.**

By the time this article is published it will be May, the same month that CAHU members descend on Sacramento to lobby their legislators at the annual CAHU Legislative Symposium (or as we used to call it back in the 1990s, “CAHU Day at the Capitol”).

As in past years, most of us will be speaking to members of Legislature about proposed bills that affect the cost and condition of health care here in California. Bills come and go, some are signed into law but the majority die in committee or are vetoed by the governor. However, one important message that still needs to be communicated each year is that of the value of the agent/advisor in the health care system.

A few years ago, CAHU published a white paper called “A Case for Minimum Agent Compensation”. At the time, CAHU was pushing the envelope to address the concerns of agent/broker/advisors about the free-fall of commissions that have taken place since 2013 – especially in the

individual health market.

It opens with this statement: “Fair and sustainable compensation for California’s licensed health insurance agents.” I further quote: “Since the passage of the Affordable Care Act, enrollment involves complex rules for determining eligibility for subsidies, cost sharing reductions and gathering new documentation to prove citizenship and household income. More than 14,000 of California’s Certified Insurance Agents (CIAs) provide year-round enrollment and service support to the more than 2 million Californians enrolled in individual and family plans (IFP). Current compensation for medical plans ranges from zero (during SEP) to as high as 7%, with some carriers paying a PMPM (per member per month) ranging from \$15 to \$22. Kaiser is an outlier, paying a one-time payment of \$100 for each effectuated application. Renewal year commissions are often in the 1 or 2 percent range.”

The executive summary of the white paper goes on from there to cite seven (7) key points:

- 1)** Between 2014 and 2016, agents enrolled over 2 million Californians in Covered California;
- 2)** Independent licensed health insurance agents are small businesses in every town of California;
- 3)** Licensed agents received the highest consumer satisfaction scores or rankings;
- 4)** Shrinking compensation in the IFP market threatens the ability for these agents to continue their work;
- 5)** Bureau of Labor Statistics data shows that the average California agent earns about \$34.38 per hour putting their annual income at around \$71,510, putting an agent with a family of 3 below the 400% FPL level;
- 6)** Certified agents receive no compensation for Medi-Cal enrollment, which can affect up to 40% of their enrollments in a given year;

FAIR COMPENSATION: THE VALUE OF THE AGENT

7) Covered California has repeatedly recognized the value and worth of the licensed, certified health insurance agent in helping people enroll for IFP coverage.

I know many agents who candidly state that they no longer seek out IFP sales because it pays little or nothing and that's a quick way to go out of business. Yes, most will help an existing client, but the outreach to new clients for this line of coverage has pretty much stopped due to this reduced compensation.

Yet agents who walk the halls of the Capitol rarely discuss their commission challenges. Instead they have repeated time and time again, what an agent does for the consumer in sorting through the complicated and confusing world of buying health insurance. This is a story that we must constantly re-tell to both elected officials and to the general public.

I've just spent the last five years assisting employers of all sizes to figure out how they are going to comply with

the Employer Mandate requirements of the Affordable Care Act. Rather than charge hefty consulting fees, I provided this service on the basis of compensation through the commissions I'm paid by the carriers whom I represent. Very few legislators and their staffers understand the process that an employer goes through in complying to offer benefits to their workers. But agent/broker/advisors do and have shown their value many times over for employers of all sizes.

The fact is that health care is complicated and in spite of legislative efforts to simplify things, consumers are even more confused than ever before about the myriad of rules and regulations now imposed on them, producers and carriers in the insurance industry. We have an obligation to stay on top of things so when our clients call with a problem, we're able to get to the bottom of things and resolve the frequent conflicts that happen between consumers, business owners, carriers and providers. It never ends.

Given the fact that agents have dem-

onstrated their value to their clients, it makes sense to have a discussion about how they are compensated. Legally, CAHU and NAHU cannot negotiate commissions with carriers. Yet, insurance agents look to CAHU/NAHU leadership for help in matters like this. Going forward I see more pushing of the envelope when it comes to the compensation paid to agents.

Ultimately the client decides who they want to appoint as their agent/broker of record, and it seems to me that those clients should not have that ability denied them because carrier compensation is insufficient. Perhaps it is time that agents be allowed to charge a modest fee for their services – that is paid by the client and not the carrier?



Cal Broker editorial advisory board member David L. Fear, Sr., RHU, is managing partner of Shepler & Fear General Agency and a 40-year veteran of the employee benefits industry. He is a past President of CAHU and NAHU and 2015 recipient of the NAHU Harold R. Gordon Memorial Award as 'Health Insurance Person of the Year'.



THE GENERATION OF ENTREPRENEURS

***Move Over Millennials,
Gen Z Will Shape The Future
of the Business World***

By **MARCOS JACOB**

Move over millennials: Generation Z has arrived, and they are boldly entering the workforce and financial planning world on their own terms.

Over the next two years, experts predict that an estimated 61 million Gen Zers will make up 20% of U.S. workers. The post-millennial generation, born between 1995-2010, is vastly different than their predecessors. Unlike millennials—who are often associated with negative professional characteristics like apathy and entitlement—Gen Z individuals have developed a reputation as being financially savvy and dedicated workers.

As a business expert and someone who has worked closely with this group in recent years, I have developed numerous insights behind the entrepreneurial mind and drive of Gen Z. As such, I believe it's critical for financial planners, brokers and other business leaders to learn everything they can about this success-oriented generation of workers in order to remain competitive moving forward.

In fact, while this group is relatively

It's also important to realize that Gen Z is commonly defined by its competitive nature—these workers prefer to work independently and be judged on their merits rather than those of their colleagues.

young, I predict they will eventually be the primary form of competition in business in the coming years.

Gen Z: Here's the Skinny

One of the largest population segments since the baby boomer generation, there is great speculation as to what Gen Zers will look like as adults. Raised during the Great Recession and the student loan crisis, Gen Zers understandably are conservative with their money. They are highly focused on acquiring stable jobs and lucrative career paths, and often prefer to grow their savings rather than spend money they don't have on hand.

Gen Zers' paths to success look quite different compared to other generations. For example, Gen Z is more conservative with money than millennials. Why? It's probably because they were raised during the recession and very well may have relatives or friends who are struggling to pay back

student loans. So in an effort to avoid dealing with their own student debt, many Gen Zers are opting out of the traditional route of higher education and instead diving headfirst into the workforce, or pursuing more affordable degrees at their own pace.

When it comes to their financial future, Gen Z seems to approach all things money related very carefully, taking a lesson from the often-extravagant habits of older generations. When asked in a recent survey, 72% of Gen Zers said that cost is the most significant factor when shopping, and nearly 50% use their phones in-store to price compare or ask family and friends for advice before making a purchase. While this habit may appear thrifty to some, it illustrates how Gen Zers often take the big picture into consideration regarding money and financial responsibility.

Interestingly, Gen Z is more skeptical about traditional investments that

are stock market-related. They tend to look for alternatives, such as the gig economy, cryptocurrency or "solo-preneuring"—think Uber, Airbnb and other popular gigs. Furthermore, they are prone to taking higher risks with alternatives that promote autonomy.

Millennials' tendency toward leveraging auto-invest platforms is not because they trust themselves over the experts. It's because it's cheaper and easier. Think about it: doing banking from the comfort of your bed means you don't have to make an appointment to "see" your advisor in-person. Time is money and it's one less errand.

On the other hand, Gen Z's self-reliance is more about autonomy. It's in their nature to fend for themselves because they believe it is safer than depending on others. They do things for themselves because they are proactive and want to ensure stability. Gen Zers do everything from learn to



invest and handle matters themselves with self-directed accounts to create their own job in the gig economy -- and even teach others online about what they do (and make money doing it).

How Can You Prepare for Gen Z?

Today, many businesses are reassessing key elements of their workplace in an attempt to attract more Gen Z employees. However, I think they should focus more on understanding how to actually retain them via opportunities for job security and raises.

It's also important to realize that Gen Z is commonly defined by its competitive nature—these workers prefer to work independently and be judged on their merits rather than those of their colleagues. Many of them prefer to have office space to themselves, rather than an open, collaborative workspace. They also tend to want to manage their projects so

that their personal skills and abilities can shine through. In a nutshell, they don't want to depend on others to get their work done.

Another way to view this cohort: Gen Zers much prefer to take matters into their own hands. They are hungry, ambitious and extremely tech-savvy. In fact, many recent college grads are strategically interning at established companies and then using their experience to start their own businesses.

The Bottom Line

So, what should businesses do now to secure Gen Z as customers in the coming years? My advice: adapt quickly. Start by enabling their behaviors of self-reliance and entrepreneurship, and supporting their ambition by creating tools that will allow them to grow.

I also suggest reframing—it's no longer good enough to simply show them the path to success, rather it's

more about creating an environment for Gen Z to forge their own way.

Ultimately, Generation Z is poised to take the business world by storm. If you are an entrepreneur, broker or financial planner, the time is now to prepare for the competition coming down the pike.



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*Jacober moved to the U.S. in 1998 with only a dream and \$100 in his pocket. Against the odds, he achieved the American dream using the gig economy to fuel his success. Father of two beautiful children, Jacober has helped thousands of individuals from different countries start their careers here in the U.S. His new book *Eat This Mr. President* was released in 2018. More info at lifehacksworld.com. Or find him on Twitter @lifehacksworld.*

CARRIER BROKER ADVISORY COUNCILS

***New industry trend provides opportunity
for greater success for everyone***

By JOHN THORNTON

According to the Encyclopedia Britannica, in 1759, the Presbyterian Ministers' Fund became the first life insurance company established in the American colonies. Six decades later, there were 17 stock life insurance companies in New York State alone and, by the early 1900s, life insurance was realizing steady growth in the United States. From 1920 to 1990, the industry was experiencing an 8.4% growth rate—what amounted to a 626-fold increase over that period. During this period, brokers were already becoming key members of the industry, forming relationships with both insurance buyers and the carriers with whom commissions were soon established.

Historically and currently, relationships between brokers and carriers have been marked by a mutual dependency and the inherent tensions it often brings. Brokers' expectations of carriers have evolved over the years and today center on matters surrounding pricing, enrollment processes, product education and marketing. The good news is that many carriers and brokers have been receptive to open exchanges that will advance enhanced relations and increased opportunities for both parties. One forum that is proving effective for this purpose is the carrier Broker Advisory Council. It is important for both carriers and brokers to understand the value proposition the right structured council offers in serving their interests and those of their mutual customers.



The two-way communications facilitated through carriers' Broker Advisory Councils generates benefits for both parties as well as the market at large.

Challenges Facing the Intermediary—Broker

As the intermediary between insurance buyers and the carriers, brokers face their own set of challenges. In its annual report, "Better Broker: What Brokers Are Doing to Meet Evolving Employer Needs," DirectPath reported that brokers say their clients rely on them to contain their insurance costs. There is also the expectation that the brokers serve their clients as strategic advisors and not just product brokers. The report's findings further included the indication from brokers that their clients/the employers have a moderate to high demand of them for:

- Employee engagement assistance (reported by 85% of brokers surveyed)
- Benefits communications (reported by 90% of brokers surveyed)
- Transparency services (reported by 74% of brokers surveyed)

Clearly, from this data and anecdotal accounts, brokers are expected to serve in a more holistic advisory role. This has become necessary in order to stay ahead of the competition, retain clients, and up-sell clients. Carriers can support brokers in this role and in meeting their clients' increased demand for enhanced employee engagement, communications and service transparency. For example, when representing an insurer's voluntary products, carriers can support the broker by providing product specialists who are skilled at engaging employees at the worksite; effectively communicating each product's purpose and value proposition; and

explaining the enrollment process.

Brokers also face challenges associated with rising health care costs, clients' requests for compliance-related services, and the ongoing need to distinguish themselves from other brokers. All of these challenges often require brokers to make larger investments in human capital (i.e., to bring on new staff with expertise they may not already have in-house), and information technologies to enhance communication, reporting and documentation. Additionally, there are various government and regulatory matters challenging brokers. Currently, The Council of Insurance Agents & Brokers is addressing concerns ranging from the tax treatment of employer-sponsored health plans and a call for non-financial cash value insurance premiums to be exempt from FACTA requirements, to the Cadillac Tax, among other regulatory issues.

Many of the regulatory matters facing brokers are also of concern to carriers, who have other issues to address. In the PricewaterhouseCoopers (PwC) 20th CEO Survey conducted at PwC's Financial Services Audit and Risk Committee Forum, insurance CEOs reported that they were "proactively confronting" many changes, including:

- Technological change (34%)
- Customer expectations—e.g., anytime/anywhere service (31%)
- Changes to regulations and standards (19%)

Along with these matters and changes in the industry's landscape, such as the entrance of new insurtech

companies, carriers also must contend with the perennial challenge of how to structure equitable broker commission levels. By having a better understanding of what brokers want from carriers, the probability of both parties' better managing their common and individual challenges is much more likely.

Brokers Want Carriers to...

A 2017 Channel Harvest Research Report revealed what brokers wanted from their carrier relationships. Brokers considered these attributes in a carrier most important:

- Competitive pricing (65%)
- Carrier technology (61%)
- Customer service (57%)
- Agency compensation (55%)
- Underwriting flexibility (51%)

In the 2017 BenefitPRO survey, when brokers were asked what they needed to sell more voluntary products, 42% said lower prices, while 28% said simpler and more convenient enrollment options, 17% said increased member and employer education, 8% said consumer life-stage bundles, and 8% said carriers with better brands.

So you can see there is a consistency to what brokers want from carriers and various surveys do indicate that brokers report their top carriers as doing a good job of meeting their needs. Still, continuous improvement is important both for the relationship between carriers and brokers, as well as for the overall industry and the markets it serves. That is where the carrier's Broker Advisory Council can be an important catalyst.

Structuring the Right Carrier Broker Advisory Council

Like any group, to be effective a carrier's Broker Advisory Council must have a clear mission. Broadly stated, these forums seek to tap into the knowledge and insights of the brokers so that a carrier can design and develop optimum products, services and processes that best support the brokers' clients' benefit plan needs. As part of that mission, carriers also want their Broker Advisory Councils to give brokers a direct pipeline to their senior management so that the carrier, in turn, can be a better partner to them. Of course, while this mission is admirable, brokers and consultants who agree to participate as a member of a carrier's Broker Advisory Council, also have to feel that there are other tangible benefits to be derived from their participation.

In order to engage brokers as council members, carriers will provide direct benefits to their participants. These can range from providing support or expertise relating to specific business practices, to gaining access to mentors and market intelligence relating to horizontal, vertical or regional markets. Generally, however, the value proposition for brokers participating in a council is to have the opportunity to serve as a sounding board to the carrier.

Typically, carriers' Broker Advisory Councils have scheduled meetings, along with webinars and/or conference calls. The in-person meetings may take place on an annual, semi-annual or quarterly basis, while the re-

mote council meetings are scheduled on a similar, less frequent or as-needed basis depending on the council. Regardless of the schedule, what is important is that participating brokers receive information in advance of a meeting so they know what topic(s) will be covered and can be prepared, and receive information after a meeting which conveys the carrier's feedback on the brokers' recommendations. The best councils are diligent in keeping their broker members fully-apprised on actions taken based on the recommendations emanating from the council meetings, as well as those items which are determined not to be feasible.

Because of the nature of the relationship and the proprietary information exchanged during council meetings, most carriers will ask a broker to agree to serve on the council for at least a 12-month term. This conveys to the carrier a broker's genuine commitment to helping achieve the council's mission. As an added incentive, many carriers will reimburse their council members for their travel expenses related to the in-person meetings and, in addition, may host dinners and invite their members to valued social or sporting events such as professional ball games.

Closing Remarks

The two-way communications facilitated through carriers' Broker Advisory Councils generates benefits for both parties as well as the market at large. Through this communication and the constructive feedback each

gives the other, better processes, products and services can be developed. The councils also tend to unite these industry partners in a way that helps make the entire industry stronger. Apparently, state insurance funds also see the value in advisory councils. The New York State Insurance Fund, for example, established a "Producers' Advisory Council" in 2016 specifically to gain the producers' reaction to their practices and how they may affect both the producers and their clients. While this state insurance fund has a completely different mandate and model than insurance carriers have, its advisory council is similar in wanting to open the lines of communication with brokers and other insurance producers. As the insurance industry continues to evolve, expect to see more emphasis on advisory councils that promote a better understanding among all members of the industry.



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applies over 30 years of insurance industry experience to lead the sales and marketing functions of Amalgamated Life Insurance Company and other entities within the Amalgamated Family of Companies. His effective strategies have led to Amalgamated Life's steady growth of its voluntary portfolio and related sales. As a member of the senior executive team, he is actively involved in the operations, oversight and direction of the organization.

\$900

\$500

BANKRUPT

\$5000

CAR

\$200

\$600

\$100

Ancillary Benefits Present A Wheel of Fortune

By KELLIE BERNELL

Spin that wheel—lucky or not—the contestant solves a puzzle and has a chance to spin the large carnival wheel. The anticipation is escalating—where will the pointer land? The prizes are plentiful including cash, cars and vacations, except, there’s always a small chance that the “Bankrupt” or “Skip a Turn” flags will appear. When they do, the applause dies and the contestant has to start all over.

The contestant is your customer

They have a high-deductible individual/family plan, employer-sponsored coverage, or, nothing at all. Customers are at different stages in their lives and most likely need varying levels of financial protection. How would they know about the options available to them? They are spinning the wheel and accepting risk without any clues. Where’s their Vanna or Pat to support their game? Clues to the puzzle:

Clue #1—Accident or Critical Illness

If an accident or critical illness occurs, the customer may be exposed to deductibles, coinsurance and other related costs—especially if it’s the first medical episode for the year. Plans that pay cash due to accident or illness are often taken when offered.

Clue #2—Toothache

Lack of dental hygiene or unattended toothaches can prompt immediate need for treatment—at a cost. Waiting for treatment can lead to further complications which can impact overall health. Dental benefits are among the most valued employer benefits available.

Clue #3—Blurry Vision

Poor eyesight impairs daily living activities and perhaps quality of life. Vision plans are relatively inexpensive yet provides significant savings.

Avoiding the “loser” flags

Your customer’s luck is a numbers game. They may not know that unintentional injuries result in an average of 21 million medical visits each year. Or, that about 6 million people every year are admitted to the ICU with a life threatening critical illness. The emotional and financial burden can be substantial.

A new study from academic researchers found that 66.5% of all bankruptcies were tied to medical issues—either because of high costs for care or time out of work. An estimated 530,000 families turn to bankruptcy each year because of medical issues and bills.

Don’t let your customer “Skip a

Turn” on making an informed decision about reducing financial exposure. You can lessen the probability of your customer losing their fortune (cash or other) by offering ancillary plans that increase their chance of bypassing the “Bankrupt” flag.

Be the Vanna or Pat

Turn the letters, unravel clues, spin the wheel and save the bank. You are the host or hostess with the most! The wheel now includes colorful flags like “Accident Medical Expense,” “Critical Illness,” “Term Life,” “Dental & Vision,” and more! These plans are plentiful and you can help your customer move the pointer in the right direction. In fact, most of these plans offer the ability to build your bank. You are winning and so is your customer!

While the contestant skips the loser flags and selects these new colors, they gain the ability to keep their winnings and you build commissions. Don’t be a spectator in the game. Play it and win!



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MARKET SECTORS DRIVING TRAVEL INSURANCE SALES

By RAJEEV SHRIVASTAVA

The global travel industry continues to grow, and on its heels, travel insurance sales. Analysts forecast that the travel insurance market will grow by a CAGR of 8.26% through 2024, with third-party distribution channels such as banks, insurtech-driven aggregators and insurance brokers driving this growth. The explosion of specialized travel including adventure travel, cruise travel, wellness getaways, cultural travel, volunteer travel and bleisure travel, are all driving the specialized travel insurance market to new heights.

Life and health brokers are in the undeniable position of adding significant revenue to their brokerages by adding travel insurance to their portfolios.

Turn-key solutions from third-party aggregators have allowed many brokerages to see six-figure revenue increases added to their brokerage coffers. With record-breaking summer travel on the horizon, this article will do a deep dive into the demographic sectors driving the travel insurance market and various coverage options for bro-

kerages who are considering adding travel insurance to their portfolios.

Solos, Seniors, Millennials and Bleisure Travelers

According to Allied Market Research, the online travel market for those 21-32 years old will reach \$1 billion by 2022. While we won't do a deep dive into Gen X in this article, currently they are the biggest spenders as 61% have families and travel with them. Their spending will not be eclipsed by millennials for another five years and many brokerages likely cater to a Gen X and senior clientele versus millennials. However, millennials will be the biggest travel spenders in time and we will focus on them for the purpose of future sales potential.

Millennials: The biggest travel spenders by 2024

The millennial thirst for adventure and experiential 'live like a local' travel is matched only by their interest in offbeat and little-known destinations. They eschew traditional tourist destinations in favor of combining travel

with volunteering in third-world villages or living in remote areas with cultures vastly different than their own. They seek out adventure holidays with extreme sports such as ice-caving, zip lining, parasailing, mountaineering and surfing.

The millennial demographic offers opportunity for additional policy riders, such as hazardous sports riders. Most travelers don't realize that a typical travel insurance policy only covers the traveler for injuries sustained involving swimming, walking and light hiking. Any injuries for riskier activities such as skiing, snowboarding, mountain climbing, surfing, parasailing or zip lining require an additional rider for hazardous sports.

Millennials enjoy ecotourism and altruistic volunteering, often in third-world environments where they are more likely to be exposed to tropical diseases, poisonous insects or animals, and unsanitary conditions. They must have medical coverage that allows for air medical transport from remote locations and the ability to be flown to major medical centers or re-

Millennials make up the largest sector for overall global travel in the next five years, specialized policy riders for adventure travel and hazardous sports activities guarantee a generous revenue stream for brokerages.

80%



80% of Millennials value travel expenditures over buying a home or car

99%



99% of seniors traveled in 2017 and took an average of 5 trips per year

32 Million+



Over 32 million women take solo trips each year, most an average of three per year

74%



74% of North American business travelers are planning a leisure trip in the next 6 months

patriated back home if treatment options are not available in the country they are in.

With millennials making up the largest living population and the largest sector for overall global travel in the next five years, specialized policy riders for adventure travel and hazardous sports activities guarantee a generous revenue stream for brokerages.

Senior Travelers: Specialized policy riders for acute onset of pre-existing conditions

According to AARP, 99% of seniors traveled in 2017 with an average of five trips per year. They also reported that 88% of Baby Boomers had selected their 2019 destinations by December 2018. Seniors travel the most frequently, often make their travel plans six months to a year in advance, and with most living on fixed incomes, are a budget-conscious demographic, though there is also a huge luxury market driven by wealthy seniors.

Even though today's seniors are the most active and healthy senior generation than ever before, many suf-

fer from health ailments due to their age, such as hypertension, diabetes or heart issues that may require a comprehensive coverage policy to provide a benefit known as acute onset of pre-existing conditions.

Seniors must be covered for emergency medical evacuation and repatriation if severe illness, injury or death occurs abroad. These specialized medical transports can reach six-figures and would be financially devastating without travel insurance coverage to seniors living on fixed incomes.

Travel health insurance policies do not offer coverage for pre-existing conditions such as hypertension, diabetes or heart issues. They do offer comprehensive coverage for acute onset of a pre-existing condition, which is defined as a sudden and unexpected recurrence of a pre-existing condition with no forewarning from a physician. Though travelers are not required to report health history to buy a policy, if a claim is made, only the attending physician can determine whether or not a certain scenario would be categorized as an acute onset of a pre-

existing condition.

Seniors should also keep in mind that their Medicare coverage does not extend to treatment outside of the U.S. While some supplemental policies may cover certain emergency treatments, payment must be made at the time treatment is rendered. If your brokerage's clients choose to travel without travel medical insurance, carefully review the limits of their supplemental Medicare coverage with them prior to departure and urge them to consider taking out travel medical insurance coverage.

Seniors offer the opportunity not only for acute onset of pre-existing conditions coverage but also yearly or multi-trip policy sales and even hazardous sports riders, as a growing body of seniors are embarking on adventure travel.

Solo Travelers: Health, spa and wellness travelers seeking adventure and culture

The solo travel market generated over \$125 billion in 2017 and led to a 230% increase in women-only travel

Seniors travel the most frequently, plan their vacations earlier and are the demographic most likely to need specialized coverage for pre-existing health conditions.

companies. Women make over 80% of all travel purchases – solo travel is exploding and being driven mainly by females over age 55. Women of all ages love traveling to spa destinations, mindfulness or yoga retreats and escaping busy work and family obligations to re-energize.

They like to experience cultural activities and other cultures in global destinations and love adventure activities as a form of personal transformation. Many seek spa cruises and being pampered at sea, with port stops allowing cultural and adventure experiences. Forbes reported in March that specialty cruise insurance is now being offered for this exploding market.

While women like to travel alone, many like to take group tours and guided walking tours in major destination cities and museums or trips to ‘the locals’ area once they arrive, which might otherwise be unsafe to embark on as a solo traveler. The Adventure Travel Trade Association (ATTA) reports that women-only itineraries are growing, which allows women to travel alone yet participate in adrenaline-pumping activities within the safety of a female-only group.

Safety is the number one concern for female solo travelers. They need to plan daytime arrivals and departures and select safe, well-lit areas for lodging whether they stay in a hotel or use a hosted stay service.

Specialized travel packages such as cruise insurance, hazardous sports riders and comprehensive trip and travel medical insurance coverage offerings allow solos to venture abroad with peace of mind.

Bleisure Travelers: Mixing business travel with added leisure time

The perception of bleisure travel, once frowned upon within most corporations, is slowly changing. Many corporations now see it as a way to provide their employees with an easy perk and provide work-life balance while preserving the integrity of the business trip itself.

A recent survey by Hilton Hotels and Resorts found that 70% of business travelers had a desire to extend their business trips for leisure and found that 68% of travelers mix business with pleasure between one and three times a year.

Another study reports that a whopping 74% of North American business travelers are either planning or considering a bleisure trip in the next six months. For professionals who travel twice or more per year for business or leisure, a multi-trip plan is a good option, to minimize overall costs.

Business travel insurance expenditures are the largest in the industry, offering policy riders and coverage that provide security for the unique needs of today’s global business traveler. A post-Brexit world is causing uncertainty in both the business and travel worlds, creating a needed travel coverage option beyond Cancel for Work Reasons, which does not cover civil unrest.

Smart businesses with operations in high-conflict areas have always been covered for terrorism and kidnapping and ransom of their employees. With the civil unrest in Western countries growing, a coverage option, known as Cancel for Any Reason, is becoming

a popular purchase. This coverage allows for canceling a trip up to two days prior to departure for any reason and reimbursing the traveler up to 75% of non-refundable trip investment costs.

Bleisure travel’s trajectory will only increase as corporations see its value and the increase in productivity that comes with their employees taking time off. With the ability to sell a business travel policy including Cancel for Any Reason—which adds a 40% cost to the existing policy—as well as one for additional family members who may meet them for the post-business leg of a journey, bleisure travel is a growing demographic that cannot be ignored.

Expand your brokerage by adding travel insurance

As a trusted advisor to your clients with their life, health and property coverage, it makes sense to extend this relationship with your clients by offering travel insurance to ensure that their well-being and financial interests are protected when they are abroad.



Rajeev serves as CEO to global insurtech company VisitorsCoverage Inc. a popular online travel insurance marketplace that allows travelers to acquire and manage their travel insurance online. He has also founded several online technology brands including TMQuotes.com, an innovative technology platform that empowers insurance agents or brokers to sell travel insurance online. More information about VisitorsCoverage or TMQuotes.com can be obtained by contacting Samuel Jong at 650-735-3640 x139 or email samuel@tmquotes.com.

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pected to offer some types of supplemental benefits by 2020, which can make it challenging to understand the depth and nuances of the various products from multiple carriers. In this environment, working with plans you trust to treat your clients well becomes especially important.

To help gain perspective into how best to meet your client's needs now and in the long term, you'll want to think beyond the individual products you're selling to the health plans behind them. Consider:

- Is the plan looking only to today's growth or also to retain its current membership? Does the plan have products that speak to different stages and health conditions of a senior's life? What a plan is doing now is an indication of how it

can help your client in the future. Are they already demonstrating a capability to take care of people at other stages? If so, it's more than likely that they'll be doing so as your clients transition in their needs. For example, in 2019 SCAN added two benefits to many of our products: Home Advantage, a fall prevention program that includes in-home visits by an occupational therapist, and Returning to Home, a readmission prevention program that provides in-home personal care, meal deliveries and care navigation after a hospitalization or skilled nursing facility stay.

- How does the plan treat its members? To really get perspective on how a plan treats its members, ask the experts: your clients. When you check in

with them each year and they say, "I'm happy and want to stay with my plan," ask them more about that. What do they appreciate about the plan? The plans that earn this sort of member loyalty are the ones you want to work with more consistently.

- How does the plan treat you? In what ways and to what extent does the plan support you so you can be successful? Look for plans that respect your expertise, value your time, and provide you with the support you need to create and maintain lasting relationships with your clients. For instance, SCAN's dedicated broker team provides a direct line to resources, answers and more.

These types of products are great news for seniors. Being able to remain safely

at home despite the challenges they may face is the true benefit in all of this. The key is to find the plan behind the products that will enable your clients not only to age in place but to age in plan. That's what taking a future-focused approach looks like.



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one of the nation's largest not-for-profit Medicare Advantage plans with more than 200,000 members in California. In addition to Medicare Advantage, SCAN Health Plan also offers special needs plans for those with chronic conditions or who are dually eligible for Medicare and Medi-Cal. For more information visit scanhealthplan.com, or follow us on twitter, Facebook or LinkedIn.

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