



BROKERS MAKING A DIFFERENCE

Health Insurance Agents Help Consumers and Employers
Secure Affordable Health Insurance



GEORGIA



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Personal Testimonials on Why Brokers Make a Difference

For more than 85 years, professionally licensed health insurance agents, brokers and consultants have provided valuable healthcare financing services to individuals and employers. Professional agents have extensive knowledge about health insurance plan design, benefits, and pricing. Many small employers can't afford to have this level of expertise in-house, nor do they have the time to administer a comprehensive, compliant benefits package for their employees.

In fact, the Congressional Budget Office (CBO) has reported that agents and brokers often “handle the responsibilities that larger firms generally delegate to their human resources departments — such as finding plans and negotiating premiums, providing information about the selected plans, and processing enrollees.”

With HIPAA, COBRA, ERISA, and federal and state tax requirements to contend with, not to mention all of the new requirements stemming from ACA, professional agents spend a great deal of time helping their clients understand the regulations, complex products and compliance issues.

Health insurance customers who use agents report being satisfied not just with their insurance, but also with the work performed by their agents – especially when it comes to the agent's role in finding the right policy.

A recent Kaiser survey found that brokers and agents have a 92 percent approval rating when helping healthcare consumers in the new marketplace.

Professional agents work extremely hard and need to be very knowledgeable in order to stay abreast of the rapid changes in the healthcare system. It would be very costly for a governmental agency in some far off location to match the service and value agents bring to their clients, and it would not be able to replace the personal relationships agents develop with their clients.

Ongoing Support from an Agent

Individuals and business owners typically don't pay any more for employee benefits purchased through an agent or broker than if they purchased the coverage directly from an insurance company. Insurance carriers set aside a small portion of the premium to pay brokers a commission, which covers not only the selling of the plan but also much of the servicing required. In today's declining commission environment, agents spend more time than ever before servicing their clients – a testament to their commitment and dedication.

Agent Associations

NAHU is the only national association working solely on behalf of health insurance agents and benefit professionals. NAHU requires each of its members to always make healthcare coverage recommendations with the customers' best interest in mind.

For more testimonials on NAHU members helping individuals and employers find appropriate health insurance, please go to www.brokersmakingadifference.org.

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"The cost of marketing and system changes due to the mandated benefits is being felt by all the carriers along with the medical loss ratio requirement, guarantee issue for children, and impending change in taxation. This impact flows down to the consumer. We are no longer able to provide child-only policies due to the guarantee issue mandate. So parents who, for cost reasons, were insuring their children on an individual policy no longer have this option. Everyone concerned is hurt by this. The parents are faced with higher premiums and the agents and brokers who were selling these policies are not able to take care of their clients. I'm losing income with lower production."

- Claire Howes (Broker)

"Not only do we help with the initial sale, but also with ongoing renewals and keeping clients compliant with all new governmental regulations. We also handle billing and claims issues for clients."

I just finished a claim issue for a client's employee that was billed incorrectly for a maternity claim. The

carrier billed for the baby's and mother's hospital stay separately when they should have been billed together. The initial out-of-pocket expense to the patient was \$7,000 but, when reprocessed and paid correctly, it was only \$3,000. We, as brokers and consultants, do this all day long. Our value to our clients is immeasurable."

- Dan Boaz (Broker)

"I want to sincerely thank you for your support in establishing a health savings account and health insurance policy for my family."

As you know, purchasing health insurance is a very emotional process, especially when you have young children. Having come from traditional employer-provided policy, we were grateful for the time you spent with us explaining and getting us comfortable with the value and benefits of a health savings account. And, as the insurance company combed through our health histories in the underwriting process, your direction and support was greatly appreciated as well.

I am thrilled with the policy and coverage as well as the cost of the premium—especially as I compared it with the benefits offered to me, which were three times the cost.

I won't hesitate to recommend you and the HealthLife Group to anyone looking for health insurance. Thank you again for your support!"

- Lon C. (Client)

"I fully understand the need for health reform and affordable medical insurance, but I am not sure that national healthcare would be the answer."

We have used the services of insurance broker, Pritchard & Jerden of Atlanta, GA since 1999. Prior to 1999, we used the services of CUNA Mutual Insurance and worked with Mr. Charles Caswell at CUNA and then with him and his staff when he became associated with Pritchard & Jerden.

I have worked with Jill Bushnell for several years and have found she has always been attentive to the needs of our organization, not only in negotiating the best rates for us, but whenever we needed assistance or follow up with insurance carrier issues. I feel there is a definite need for the insurance

"Licensed health insurance producers (agents and brokers) provide a wide range of services for both individual consumers and the business community."

Producers interface with insurers, acquire quotes, analyze plan options, and consult clients through the purchase of health insurance... It is essential that [policymakers] recognize and protect the indispensable role that licensed insurance professionals play in serving consumers."

-The National Association of Insurance Commissioners



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broker industry above and beyond any initial sale. It has certainly been true in our case and makes our lives easier knowing we have someone to “go to bat” for us with the insurance carriers if and when necessary. Over my years, I have seen the intervention of our brokers on our behalf to help with issues that were not being resolved with the carriers.

There are many other alternatives to consider regarding health reform and I hope that our legislators see fit to pursue all the options before considering national healthcare."

- Jean O'Malley (Client)

"Wow! Where do I begin? Pritchard & Jerden has worked with W.E. Marshall Company for 15+ years. Each year, I have at least five different agents wanting to give us a quote. And, each year, I tell them I am more than happy to hear what they have to offer, but in all honesty they would not be able to come close to what we receive from Pritchard & Jerden in terms of value and customer service. Pritchard & Jerden has always given us more than 150% in customer service. And, at no time, have we ever felt that we were being billed unjustly.

For at least seven years, I have worked with Jill Bushnell very closely. Each year at renewal, Jill works very hard at marketing health insurance carriers for our company. Once a carrier has been determined, Jill works with me on the rate calculations for each employee. If I ever have any problems with the carrier, she will pick up the phone and call them herself...until I am completely satisfied—which, by the way, can be a tough job in and of itself.

Joan Sondag has worked with me on workers compensation and general liability issues. Joan has always assisted me with rate breakdowns for each building that we are insuring. If I need a certificate of liability for one of our customers, it is taken care of immediately.

I really just can't say enough about all that Pritchard



& Jerden does for our company. Everyone I have worked with goes above and beyond the call of duty. I would say that I speak with someone from Pritchard & Jerden on a weekly basis. I can't imagine not having them around."

- Jill Bushnell (Client)

"I believe that it is important to have an agent in the corner of every business, especially the small business. These hard-working business owners are already wearing many different hats—they are the HR person who hires their staff, the CFO who handles all the financial concerns, the customer service department, the ad agency, and often even the janitor. They really can't take on the job of insurance agent as well.

It takes me a long time to gather the information to show a group the best plans that are available for them. I am already hooked into the systems and speak the language but it still takes me a good deal of time. Imagine these business owners who are already overworked and tired, but want to do a good job for their employees and take care of them. Now they may have to try to figure out the best insurance plans and companies, and then try to figure out how to get on a “pre tax” plan, and then try to explain to their employees what their benefits consist of. When all that is done and the employee has a hospital bill that doesn't get paid, or ID cards that didn't get delivered, or there is a bill that



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doesn't look right, are they are supposed to be a full-fledged insurance agent, too? They need to have somewhere to turn for the answers. Think of all the time we brokers spend in classes and informational courses to learn about the new plans and the correct procedures. Small business owners don't have that much time on their hands.

Furthermore, the Medicare system is very confusing to our senior citizens, and now they may have to decide which Advantage or Supplement is the best for them (sorted by county, company and then by plan design! The individuals who have recently been unemployed and are trying to navigate the insurance marketplace are all having a hard time trying to figure out who will take them, and trying to see what plans are going to serve their needs the best. These are important decisions for anybody. For both of these groups of Americans, an HR department or broker has always handled all of this and they just

really don't know the system. These individuals all need help with these decisions.

In my office, we try to take on the role of an advisor, not an insurance "pusher". If that is all we were, it would still be difficult for a business owner to take on this responsibility, but we do so much more than that. We offer many services so employees don't spend all their time on the phone trying to fix their bills—that could be enough lost time for an employer to drop the coverage. We also work on billing issues and basic service issues.

I think we have amazing insurance companies that really strive for excellent service, but there are always things that come up. Worse than that are all the companies that pop up promising to be "like insurance companies", or that work through associations and can handle the insurance needs of all people who pay a few bucks extra each month just to join the associations. And there are the ones who just collect the money and aren't really associated with any insurance company. I realize that this goes on even now, but with the Internet and NAHU and other ways to legitimize ourselves, we are able to slow down the losses from these dishonest people. Agents provide a valuable and trustworthy service to companies.

We contact our clients all year long with updates on what is new in the industry and what laws are changing. I cringe to think of what our clients would have done if we hadn't kept them abreast of the recent changes act. I have run classes through our Chamber of Commerce and published articles as well as working directly with my own clients to make sure our community is keeping up with the rapid changes that are occurring. These are very important laws and business owners need to be following them carefully.

I have made so many businesses aware of their need for workers compensation (an insurance item that I don't carry), and liability insurance. I have helped many of them understand HR laws, such as



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Georgia Continuation of Coverage. Without this service, employers may make costly, albeit innocent, mistakes. Agents are in the business' offices all the time; we provide ideas and information that they can use. I have helped many businesses with networking, advertising and even hiring. I work very hard, and between my information and the letters that I have received from my clients, I think it is pretty clear that they consider my proficiency very important to their insurance package. I make it clear that I am here to handle their insurance business. Insurance is my job and my area of expertise; with me around they don't have to know about it. I keep them informed, I negotiate their rates, I advise them of which companies are A-rated (AM Best). Most people don't even know what that means until I tell them. They don't need to be insurance experts; they just need to take care of their business. That is where I come in.

I'm afraid that if we make it harder on people to have insurance, more businesses will decide not to offer benefits and that will

have devastating consequences. Many individuals, when faced with a task they know nothing about, refuse to take action. This would be a big problem for our unemployed individuals as well as our seniors. I realize that changes need to be made, but don't try to make the business owners take on more important roles than what they already do, and then hold them to strict laws that will punish them if they don't get it right. It is the business and the employee that will pay this awful price."

- Linda Mackey (Broker)

"I have been a client of Linda Mackey Insurance for over four years and she is one of the most knowledgeable and dedicated insurance brokers I have ever worked with. In today's economy of ever-rising health insurance premiums Linda has always provided me with high quality and cost-effective health insurance options for my company. The staff at

Linda Mackey Insurance provides excellent customer service and truly understands an organization's challenge to provide quality, cost-effective insurance options to its employees. Linda is extremely well-versed in the benefits of various insurance plans as well as industry trends and best practices. When my organization needs quality insurance I trust Linda Mackey to handle all of our insurance needs."

- Lisa Willis (Client)

"This is just a note to tell you what an outstanding job Monica has done. I was having difficulty getting ID cards for one of our employees. When Monica heard the message, she immediately put things in motion, and lo and behold, the cards that I'd been trying to get for almost a month now arrived yesterday. She did an outstanding job of correcting this problem for us. You have a "diamond" in Monica—kudos to her. Excellent work—absolutely excellent."

- Mignon A. Johnson (Client)

"We opened our first World Gym location in Peachtree City in October of 1998 with seven employees, two of whom were full-time. At that time, the ability to offer a group health insurance plan was not a possibility. Years later, as our one facility grew into three and our full-time staff grew to fourteen, we became financially able to offer a good quality health plan to our valued employees.

I met with four different providers, one being Linda Mackey of Linda Mackey Insurance. After looking at all of my options, I chose Linda Mackey Insurance for two specific reasons. The first reason was that Linda "knew her stuff." I know that does not sound very professional, but that phrase pretty much sums it up. She knew that this was the first health insurance plan that World Gym had ever been able to offer and she made sure I understood all my options before a decision was made.



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The second reason I chose Linda Mackey Insurance was because of the comfort level Linda provided to me in making this decision. I had the opportunity to provide a wonderful and quite necessary benefit to our employees and I wanted it to be the best health insurance available in regards to coverage and cost. Linda made me feel confident in my decision.

I would recommend Linda Mackey Insurance to any company, large or small. Her staff has always been warm and friendly on the phone and eager to assist us in any health insurance situation that occurs. Linda herself is never too busy to return phone calls when she is out of the office and makes calls to check on us as well. Our experience with her company started in August of 2005 and I look forward to many more years working with her and her staff."

- Kim Hershey
(Client)

"As you know, my business, Hesse Financial Advisors LLC, completed a change in ownership a few months ago. As a result, I became a managing partner of the firm, and was charged with the responsibility of replacing numerous business functions with local providers to maintain a seamless experience for our clients. All of these changes occurred at the same time, and all required a high level of urgency and accuracy. Implementing a new health plan was one of our internal functions on the list.

We had two goals, 1) to provide our staff with a similar cost structure to what we had previously, even though we didn't think this was possible since

the previous owner was a Fortune 200 business, and 2) to match or improve upon the benefits we offered our staff. These were substantial objectives for any sized business, let alone a small firm like ours.

I can't thank you enough for the many meetings at my office and for your analysis of our situation. You ultimately delivered us a package that exceeded our expectations and achieved both of our stated goals. I so appreciate your patience and your skillful knowledge as you listened to our various requirements and maneuvered us to the finish line of this obstacle course. We have since implemented your recommendations and we are completely satisfied.

Thank you for going above and beyond to help us address our health plan needs. I encourage anyone with a small business to discuss their situation with you, so that they can also experience the Dan Boaz "touch"

and achieve their specific objectives."

- Stephen A. Siders (Client)

"For the sake of introduction, my name is Malcolm McCarn. I am the CFO & General Counsel of CKS Packaging, Inc., a manufacturer of plastic containers. CKS Packaging has 15 operating facilities spread throughout the South; we have more than sixteen hundred employees. Sales for 2008 should be approximately \$285M.

We have been self-insured for 15 years and used another TPA for more than 10 years. I met Jerry in



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2005 when he came to offer me an alternative to my current TPA. Over the course of several months we developed a friendly but professional business relationship. He made a proposal for our health insurance, and even though the bid was unsuccessful, Jerry continued to make innovative suggestions that would reduce insurance costs for the company.

In the spring of 2006, he suggested a pharmaceutical program that would reduce costs by more than \$100M to a program I thought was already pretty lean. His suggestions proved to be correct so we implemented them.

Change is never easy, but when the right person comes along that you think can enhance your operation, make your company more efficient and most importantly reduce costs thus increasing profitability you must do the right thing. I changed because Jerry seemed to be that person for CKS Packaging. He continues to service our account today.

The Congressional Budget Office (CBO) has reported that agents and brokers often handle the responsibilities that larger firms generally delegate to their human resources departments—such as finding plans and negotiating premiums, providing information about the selected plans, and processing enrollees.

Jerry is a man of integrity, an astute insurance person and the person I needed to assist me with the sometimes difficult health insurance decisions facing employers today. I recommend him without reservation."

- Malcolm McCarn (Client)

