



BROKERS MAKING A DIFFERENCE

Health Insurance Agents Help Consumers and Employers
Secure Affordable Health Insurance



IOWA



National Association of Health Underwriters
1212 New York Avenue N.W., Suite 1100, Washington, DC 20005
202-552-5060 | www.brokersmakingadifference.org

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.

BROKERS MAKING A DIFFERENCE

"My phone has been ringing a lot lately with employees of groups that are totally confused with their bills. They have been used to emergency room copayments and urgent care copayments. My employee education has always been to stay out of the emergency room. That has all changed this year, as hospitals are buying up urgent care clients, making urgent care a hospital charge subject to deductible and coinsurance. Rather than urgent care and specialist copayments, employees are subject to ER equivalent deductibles and coinsurance. I have spent time educating these employees on what to look for and what to ask when seeking treatment that is not emergency in nature. I have also spent time explaining when they should seek emergency room instead of urgent care so they don't get double hit for urgent care, who charges them and makes them take an ambulance to emergency room so the urgent care facility is not liable."

- Teri Copler (Broker)

"A local insurance company offered to collect and submit transitional reinsurance fees for their self-funded groups for a small fee. The insurer stated in the fine print that the Snapshot Factor Method would be used in all cases, and because we knew that wasn't always the best of the four options, we encouraged our clients to waive that service and do the math each way themselves before submitting their annual enrollment average to Pay.gov.

It so happened that three of our non-profit clients did not see our advice and elected to have the carrier perform the service. Fortunately, we found out in time, helped them calculate their fees the other

three methods, and indeed determined in all three cases that another of the methods was best for them. Thanks to our intervention and about 20 minutes of work each, we lowered their TRF tax bill by \$7,712.25, \$7,871.85 and \$12,001.45.

Just another example of broker commissions paying for themselves!"

- Thomas Seltz (Broker)

"We have an individual specialist that goes out to employer groups and does a "lunch and learn" on Medicare and Medicare Supplements. So many employees and/or their spouses that could have better

benefits for lesser cost are staying on the group plan rather than going on Medicare because they don't understand what/how/when they need to look at this or even what to ask."

- Teri Copler (Broker)

"A local dentist with a group health insurance contract retired and sold his business due to health. Initially, premiums were outlandish for him and his wife. We made appropriate

changes to his plan based on his needs, and that in turn lowered his costs. After some time, he underwent extensive doctoring, medical treatments and extraordinary Rx adjustments, resulting in staggering bills. Because of the personalized, one-on-one time spent with him, he has lower monthly premiums, lower out-of-pocket maximums and the opportunity to continue his plan of care without being devastated financially.

When they first came to me, they were stressed and confused by their current position and the alternate choices they had available to them. They now can

"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



BROKERS MAKING A DIFFERENCE

focus on what is most important, which is their time together and their course of treatment without the financial worry. They have contacted me several times since to thank me for the time spent.

I feel so rewarded when I can see a family benefit from the services that an independent agent can offer."

- Debbie Sears (Broker)

"I recently got a call from a client's wife who quit her job and was very confused on what she should do for benefits. Should she go get an individual policy, jump on her husband's benefits at his employer (no contribution for spouses through his company) or take COBRA? After listening to her situation regarding her medical expenses thus far this year and also what she planned before the end of the year for services, I advised her to pay COBRA premiums for the fourth quarter and plan on reviewing her husband's coverage and individual for a January 1 effective date. That way she doesn't have to start over at with new deductibles and out of pocket for fourth quarter. She was extremely happy for my advice and guidance. She never would have thought to take COBRA coverage and would have spent a lot more money."

- Teri Copler (Broker)

