



NAHU Board of Trustees Meeting

Monday, July 28, 2019

Meeting called to order at 4:00 P.M. (ET) by Pat Griffey

Reading of Antitrust Statement

Eugene Starks read the antitrust statement.

Roll Call *(Eric Kohlsdorf)*

Attendees:

President Pat Griffey

President-elect Dane Rianhard **(absent)**

Vice President Eugene Starks

Treasurer Kelly Fristoe

Secretary Eric Kohlsdorf

Immediate Past President Rusty Rice

NAHU Executive VP & CEO Janet Trautwein

Region I Vice President Michael Grinnell

Region II Vice President Erica Hain

Region III Vice President Mike Deagle

Region IV Vice President Alycia Riedl

Region V Vice President Paige Phillips

Region VI Vice President Ed Oleksiak **(absent)**

Region VII Vice President Ray Magnuson

Region VIII Vice President Pat Burns

Legislative Council Chair Jessica Watts

Membership Council Chair Kevin Trokey **(absent)**

Professional Development Chair Jill Pedersen

Staff:

John Greene

Jennifer Murphy

Brooke Willson

Guests:

Legislative Council Vice Chair Scott Wham

Membership Council Vice Chair David Smith

Professional Development Vice-Chair Susan Rider

Governance Committee Chair Jim Stenger

Karen Kirkpatrick

Adoption of Agenda *(Pat Griffey)*

MOTION: Kelly Fristoe made the motion to adopt the posted agenda.

MOTION: Motion passed unanimously

Consent Agenda A *(Pat Griffey)*

- BoT Meeting Minutes – June 28, 2019

MOTION: Kelly Fristoe made a motion to approve Consent Agenda A.

MOTION: Motion passed unanimously

Consent Agenda B (*Pat Griffey*)

Approve Committee members

- Awards
- Chapter Leadership and Development
- Governance
- Legislative
- LPRT
- Media Relations
- Membership
- Nominations
- Professional Development
- Vanguard

Approve Futures Task Force to become Futures Working Group

MOTION: Ray Magnuson made a motion to approve Consent Agenda B.

MOTION: Motion passed unanimously

Finance Report (*Kelly Fristoe*)

- Finance Committee Meeting Minutes - July 2019
- Financial Statements - May 2019
- Financial Trends - May 2019

MOTION: Eugene Starks made a motion to accept the May Financial Report.

DISCUSSION:

The Finance report was presented by Kelly and Jennifer. Through May our budget deficit is \$114,988 with the current month's deficit at \$69,661.55.

Budget planning timeline:

- 8/5 - Budgets are due to Jennifer. Include any new projects/programs that may impact income and/or expenses
- 8/12 - Teleconference with Treasurer/VP/CEO/CFO
- 8/12 - Finance Committee Teleconference
- 8/19 - Draft of Budget sent to Finance Committee
- 8/26 - Finance Committee Teleconference
- 9/3 - Final Draft of Budget sent to BOT
- 9/9 - Monthly Finance Committee Teleconference
- 9/13&14 - Budget meeting in D.C. with entire BOT

MOTION: Motion passed unanimously

RVP Report *No monthly report from RVPs*

Current Membership Numbers (*Kevin Trokey*)

David Smith, on behalf of Kevin Trokey, reported that the implementation of the new system is coming along and Ashley Kapostins, Membership Manager, is heavily involved with the rollout.

Janet gave an update on the Agency Membership roll out. There are 104 new members in the invoices for 240 total members. Additionally the database system is being updated but will not hit the previously stated deadline.

Ray Magnuson asked how the Agency Membership worked for various renewal dates. Janet responded that they will always renew on a 1st of the month effective date for entire AM members. Existing members moving into the AM will be prorated for dues paid already.

Federal Legislative Update (*Jessica Watts and John Green*)

John Greene updated the Board on key federal activity.

CEO Report (*Janet Trautwein*)

No additional comments, the report is posted online.

Old Business

- Platinum Advisors Update (*Mike Deagle*)

Mike reported that there was a meeting during the Annual Convention in San Diego. There is interest from other members that had attended previous PAS. Mike is in the process of organizing another call after RVPs are done with the RLCs.

New Business

- Antitrust (*Janet Trautwein*)

Janet informed the Board about how important it is to the association that the antitrust laws be followed. It is very important for all BOT members to read the antitrust documents in the “Information Central” of the BOT portal. Areas where associations fall into trouble with antitrust are:

Commissions: They should never be discuss at board meetings (or any formal Association business) whether its at a local or state or national level.

Code of Ethics (and Antitrust): It is very difficult to prove an ethics violation and typically costs a lot of money.

Collusion: CANNOT show a favoritism or attack against a carrier or provider of care. This goes beyond simply the insurance industry. These situations should be referred immediately to Janet. Discussion ensued regarding taking issues to a regulator – which goes beyond collusion but more to legality.

When NAHU says nothing regarding a situation does not mean we are for or against the situation. Everyone can have an opinion, but in an official capacity the board (including locals and states) should NOT speak out on questions of this type. Again, these should be referred immediately to Janet.

Confidentiality Agreement is perpetual. We do not have to sign it each year. Any person who participates (even in listen mode as a “guest” or non-Board member) must sign this agreement before they get the access.

It was suggested that locals and states go through antitrust training. David Smith volunteered to create a program for the chapters.

- Board Etiquette (*Pat Griffey*)

These guidelines have been posted online. Understand these rules and ask questions on any issue but specifically consent agenda. All of these are for keeping the meetings in order and timely.

- Chicago Annual Convention

The Annual Convention schedule has been adjusted to host the Regional Leadership Conferences on Saturday prior to the opening of the meeting. Professional Development will occur on Monday. A preliminary schedule will be shared with the Board

Upcoming BOT meetings:

8/12 is the strategic discussion call

8/19 is the next Board call.

Adjournment

Eric Kohlsdorf made a motion to adjourn the meeting.

President Griffey adjourned the meeting at 5:13 pm (ET).

Respectfully submitted,
Eric Kohlsdorf
NAHU Secretary



NAHU Board of Trustees Meeting Agenda
Monday, July 29, 2019, 4:00 pm – 5:30 pm
Zoom

Call to Order (*Pat Griffey*)

Reading of Antitrust Statement (*Eugene Starks*)

Roll Call of Attendees (*Eric Kohlsdorf*)

Approve Agenda (*Pat Griffey*)

Consent Agenda A (*Pat Griffey*)

- BoT Meeting Minutes – June 28, 2019

Consent Agenda B (*Pat Griffey*)

- National Committee Approval
 - Awards
 - Chapter Leadership and Development
 - Governance
 - Legislative
 - LPRT
 - Media Relations
 - Membership
 - Nominations
 - Professional Development
 - Vanguard
- Approve Futures Task Force to become Futures Working Group

Financial Reports (*Kelly Fristoe*)

- Finance Committee Meeting Minutes - July 2019
- Financial Statements - May 2019
- Financial Trends - May 2019

RVP Report

Current Membership Numbers (*Kevin Trokey*)

Federal Legislative Update (*Jessica Watts & Chris Hartmann*)

CEO Report (*Janet Trautwein*)

Old Business

- Platinum Advisors Update (*Mike Deagle*)

New Business

- Antitrust (*Janet Trautwein*)
- Board Etiquette (*Pat Griffey*)

Motion for Adjournment



NAHU Board of Trustees Meeting

June 28th, 2019

San Diego, CA

Meeting called to order at 9:00A.M PDT by Rusty Rice

NAHU'S MISSION STATEMENT

NAHU advocates for our members, provides professional development and delivers resources to promote excellence.

Call to Order and Reading of Antitrust Statement (Rusty Rice)

Roll Call (Kelly Fristoe)

Attendees:

President Rusty Rice
President Elect Pat Griffey
Vice President Dane Rianhard
Treasurer Eugene Starks
Secretary Kelly Fristoe
Immediate Past President Mike Embry
NAHU Executive VP & CEO Janet Trautwein
Region I Vice President Michael Grinnell
Region II Vice President Erica Hain

Region III Vice President Mike Deagle
Region IV Vice President Alycia Riedl
Region V Vice President Paige Phillips
Region VI Vice President Ed Oleksiak
Region VII Vice President Ray Magnuson
Region VIII Vice President Pat Burns
Legislative Council Chair Nick Moriello
Membership Council Chair Michelle Howard
Professional Development Chair Karen Kirkpatrick

Staff:

Farren Baer
Illana Maze

Jennifer Murphy
Brooke Willson

Guests:

Membership Council Vice Chair Kevin Trokey
Professional Development Vice Chair Jill Pedersen
Governance Committee Chair David Smith
Incoming Governance Committee chair Jim Stenger
NAHU Board of Trustees Secretary Candidate Eric Kohlsdorf

Strategic Planning Facilitator Annette Bechtold
Futures Task Force chair Jessica Waltman
Incoming Professional Development Committee
Vice Chair Susan Rider

Adoption of Agenda

MOTION: Alycia Riedl made the motion to adopt the posted agenda.

MOTION: Motion passed unanimously.

Consent Agenda A (*Rusty Rice*)

- BoT Meeting Minutes – May 20th, 2019

MOTION: Paige Phillips made a motion to approve Consent Agenda A.

MOTION: Motion passed unanimously.

Consent Agenda B (*Rusty Rice*)

National Committee/Council Reports

- Awards Committee
- Chapter and Leadership Development Committee
- Governance
 - Board-Designated Operating Reserve (P&P 12-01-F)
 - Distribution of Financial and Stewardship Information to Membership (P&P 95-05-F)
 - Duties of the Treasurer and Structure of the Finance Committee (P&P 95-03-EX)
- HUPAC
- Legislative Council
- LPRT Committee
- Media Relations
- Membership Council
- Nominations Committee
- Professional Development Committee
- Vanguard Council

MOTION: Eugene Starks made a motion to approve Consent Agenda B.

MOTION: Motion passed unanimously.

Finance Report (*Eugene Starks*) – Eugene turned the floor over to Jennifer Murphy to give an overview of the Financial Report. Eugene discussed that we will not have to dip into our reserves this year.

- Finance Committee Meeting Minutes – June, 2019
- Financial Statements – April, 2019
- Financial Trends – April, 2019
- Financial Projections for 2019
- Propose \$50 Membership Reinstatement Fee

MOTION: Eugene Starks made a motion to accept the Financial Report.

MOTION: Motion passed unanimously.

The proposal to implement a \$50 Reinstatement Fee was referred to the Governance Committee to put this proposal in the form of an official Policy & Procedure.

RVP Report (*Pat Burns*) – Pat reported that they discussed Regional Leadership Training for new Chapter Leaders. This would require RVPs and attendees to come into the meetings a day early or stay a day longer. This would need to be orchestrated in conjunction with Kathleen as she sets up the meetings. Janet discussed the Chicago convention for 2020 and how this will work.

Current Membership Numbers (*Michelle Howard*) – Illana provided a verbal report of our current membership numbers and retention rate. She mentioned that there's already a lot of interest in the Agency Membership. Janet shared that the numbers for the chapter challenge of 5% membership. 72 chapters met or exceeded the 5% growth goal. This challenge will occur again because it was a contest that had measurable goals and success. It's a model that works for all size chapters.

Federal Legislative Update (*Nick Moriello*) – Nick shared that the biggest issue we will deal with at this meeting will be transparency and disclosure of agent compensation. Janet also reported on the Surprise Billing bill. This could result in price controls and is turning into a bipartisan issue where both sides are ready to deal with this issue even though the Republicans typically do not find themselves in a space where they want to control pricing.

CEO Report (*Janet Trautwein*) – Janet continued the legislative discussion on the HRA Final Rule. There are other items coming out around cost of care issues that the Board should watchful for. Also watch for the upcoming drug commercials for pricing information. Cadillac Tax may be in a place to get repealed. We have a lot of marketing materials coming out, including brochures and Op-Eds. We are still working with FMO's to maximize potential membership from them.

Old Business

- Agency Membership Update (*Janet Trautwein & Illana Maze*) – The Board viewed a Power Point Presentation and reviewed promotional material.
- Benchmarking Task Force Update (*Mike Deagle*) – Mike reported that a statement that will be presented at the House of Delegates. Alycia read the statement; there were no questions or comments.
- LEAD Update (*Jill Pedersen*) – Jill's PowerPoint discussed the details of the work that the task force has done up to this point. Ed Oleksiak suggested that LEAD be tied into the Agency Membership.
- Platinum Advisors Summit (PAS) Update (*Mike Deagle*) – Mike reported the task force's work going forward is to better define what PAS is and will be.
- Vision 2020 Update (*Rusty Rice*) – Rusty tabled this discussion until we get results back from the survey. As Past President he will report on this at future meetings.

New Business

- Futures Task Force Update (*Jessica Waltman*) – Jessica provided a written report and presented the report to the Board for consideration. Jessica presented on six topics recommended to NAHU for consideration. These items come as recommendations but it is the Board responsibility to determine if they should be implemented and how. The Board commended Jessica and the task force members for their work.

Rusty thanked Mike Embry for his service on this board, as this is his last meeting as a Board member.

Motion for Adjournment

Paige Phillips made a motion to adjourn the meeting. The meeting adjourned at pm 12:15 PDT.

***NAHU's Anti-trust Statement:** Associations are subject to strict scrutiny under antitrust laws because an association is, by its nature, a group of competitors joined together for a common business purpose. The antitrust laws require companies to make certain decisions by themselves, not in conjunction with competitors. Therefore, associations and their members must proceed with extreme caution in certain areas of activity to insure against violation of the antitrust laws. Discussions of current or future prices or commissions and

refusing to deal with or boycotting any insurance carrier are among a number of areas specifically prohibited by the anti-trust laws and will not be permitted in today's meeting.

*CONSENT AGENDA per Sturgis: Organizations having a large number of routine matters to approve often save time by use of a consent agenda, also called a consent calendar or unanimous consent agenda. This is a portion of the printed agenda listing matters that are expected to be noncontroversial and on which there are likely to be no questions.

Before taking the vote, the chair allows time for the members to read the list to determine if it includes any matters on which they may have a question, or which they would like to discuss or oppose. Any member has a right to remove any item from the consent agenda, in which case it is transferred to the regular agenda so that it may be considered and voted on separately. The remaining items are then unanimously approved en bloc without discussion, saving the time that would be required for individual votes.

Respectfully submitted,
Kelly Fristoe
NAHU Secretary



2019-2020 AWARDS COMMITTEE

NAME	POSITION
Ms. Rosanne Wolfe, RHU, REBC	CHAIR
Patricia Mihalyi-Stiffler	VC
Ms. Michele Dilanni Gentile	1
VACANT	2
Kathleen M. Goffer	3
Mr. Samuel Nigro	4
Jennifer Leigh Lowery	5
Pamela Eils-Hayek	6
Rebecca Ann Kanoza, RHU, REBC	7
Sarah C. Knapp	8
Luann S. Yarberry, LUTCF,CIC,ACSR	ATLAR
Mr. Eric Kohlsdorf	BOT LIAISON
Brooke Willson	STAFF



2019-2020 CHAPTER & LEADERSHIP DEVELOPMENT COMMITTEE

NAME	POSITION
Cerrina Jensen, CHRS, CBC, LPRT	CHAIR
Mr. Keith Wallace	VC
Shelly Sweatt, CIC	1
David A. Cagliola	2
William J. Barrett, CLU, ChFC	3
Christine McPike	4
Donna D. Hill, FLMI	5
Ms. Denise S. Villagran, MBA	6
Connie Puett	7
Emma M. Passe	8
Arthur James Accardo, CDHC	ATLAR
Dane Rianhard	BOT LIAISON
Brooke Willson	STAFF



2019-2020 FINANCE COMMITTEE

NAME	POSITION
Kelly Don Fristoe, LUTCF, SGS	CHAIR
Mr. Eric Kohlsdorf	SIT
Paige W. Phillips	SIT
Raymond E. Magnuson, JD,CLU,ChFC,RHU,REBC	SIT
Mr. David C. Smith, REBC	SIT
Susan M. Rider, MS, ACA, ASF, CSFS	SIT
Eugene Starks	SIT
Mr. Michael P. Deagle, REBC	SIT
Scott Wham	SIT
Ms. Laura Firestone, CPA	ATLAR
Ms. Janet Stokes Trautwein	STAFF
Jennifer B. Murphy	STAFF



2019-2020 GOVERNANCE COMMITTEE

NAME	POSITION
Mr. James R. Stenger	CHAIR
Elizabeth Ashmore, CBC, SGS, CHRC	SIT
Mr. Ryan P. Thorn	SIT
Ms. Dierdre Kennedy-Simington, CHRS, LPRT	SIT
Ms. Joy K. Gardner, LUTCF	SIT
Dane Rianhard	SIT
Janet Trautwein	SIT
Brooke Willson	STAFF



2019-2020 HUPAC BOARD

NAME	POSITION
Catherine L. Cooper	CHAIR
Terry Allard, CEBS	VC
Michael King, CRSP	1
Christopher J. Renkar	2
Michael A. Embry, RHU, REBC	3
Bridgette Rae Ebben	4
Mychal H. Walker, Sr.	5
Mr. Rolando G. Barrera	6
Mr. Bradley V. Miles	7
Ms. Cathy M. Daugherty	8
Mr. Michael D. Gray, RHU	ATLAR
Steven Selinsky	ATLAR
Mr. Keith Wallace	ATLAR
William Hepscher	ATLAR



2019-2020 LEGISLATIVE COUNCIL

NAME	POSITION
Mrs. Jessica J. Watts, CEBS, PHR	CHAIR
Scott Wham	VCLEG
Jesse D. McDonald	LIA1
Dr. Michele Thornton	LIA34
Ms. Kate Banchy	LIA4
David L. Fear, Jr.	LIA8
Annette Bechtold	LIAI5
Carla Adams, CBC, GBA, CLTC	LIAI6
Jennifer Liane Farrell	LIAI7
Gary Cox	EBWG
Mr. R. Brent Lamon, RHU, CLTC	LEGCO
Mr. Brad Niederman	LEGCO
Barbara Ann Gerken	LEGCO
Ross Carmichael	LEGCO
Danielle Capilla, JD	LEGCO
Greg Stancil	WGCH
Nicholas A. Moriello, RHU	EX-OFF



2019-2020 LPRT COMMITTEE

NAME	POSITION
Valerie Lynn Cramer, RHU	CHAIR
Mrs. Yun M. Chalif	VC
Thomas Spreitzer	1
VACANT	2
VACANT	3
VACANT	4
Ms. Monique E. Hahn	5
Michael L. Sabin	6
Tara Tandrow, CIC	7
Heidi J. Sterner, PAHM, LPRT	8
Tiffany Stiller	ATLAR
Eric Kohlsdorf	BoT LIAISON
Jennifer Murphy	STAFF LIAISON
Brooke Willson	STAFF LIAISON



2019-2020 MEDIA RELATIONS COMMITTEE

NAME	POSITION
Suzie Alberts	CHAIR
Debbie Stocks	VC
Julie A. Jennings	1
VACANT	2
Lee Nathans (co-chair)	3
Ryan Combs (co-chair)	3
Chad Levis	4
VACANT	5
Emily Bremer	6
Denisse Bravo	7
Naama Pozniak	8
Dave Mordo	Media Militia Chair
Ryan Combs	Social Media Chair
Kelly Fristoe	BOT LIAISON
Kelly Loussedes	STAFF LIAISON



2019-2020 MEMBERSHIP COUNCIL

NAME	POSITION
Mr. Kevin Trokey	CHAIR
Mr. David C. Smith, REBC	VC
Ashley Wynkoop Kapostins	MEM MGR
Kirsten Tudman	RMC1
VACANT	RMC2
Louis P. Reginelli, RHU	RMC3
Joshua Haberman, RHU	RMC4
Mr. David M. Sherrill	RMC5
Ms. Carol Matznick	RET5
Doris Waller, SGS	RMC6
Mr. Scott A. Leavitt	RMC7
Joni Robin Reents	RET7
Jolene Bryant	RMC8
Mr. Keith Wallace	RET8
Michelle S. Howard	ATLAR
Ulla Boshigt	STAFF
Mr. Robert C. Tretter, CLU, ChFC, RHU, GBDS	STAFF



2019-2020 PROFESSIONAL DEVELOPMENT COMMITTEE

NAME	POSTION
Jill L. Pedersen, REBC	CHAIR
Susan M. Rider, MS, ACA, ASF, CSFS	VC
Ms. Stephanie Berger, LPRT, CHRS	PDMGR
VACANT	1
Ms. Carolyn Marie Andress, REBC	2
Danielle Capilla, JD	3
Dwane C. McFerrin, CLU, CFP, RHU, LLIF	4
Ashley Kapostin	5
Amy Perry, REBC, SGS	6
Mr. Robert J. Tierney	7
Kelly E. Pastore	8
Julie Jennings	LEAD
Charlene M. Hogeland, REBC	SIT
Kathy Ferguson	SIT
Karen Kirkpatrick	SIT
Farren Baer	STAFF



2019-2020 VANGUARD COUNCIL

NAME	POSITION
Mark Fox, BAM	CHAIR
Sue Wakamoto-Lee, CEBS	VC
VACANT	1
Zachary Berkheimer	2
Brandon Erhart	3
VACANT	4
Jennifer Leigh Lowery	5
Taylor B. Kirkhart	6
VACANT	7
Ryan Dorigan	8
Jack Holder	Sit
Crystal Hoffman	Sit
Mr. Eric Kohlsdorf	BOT LIAISON
Husni Abdelziz	STAFF
Illana Maze	STAFF



2019 – 2020 FUTURES WORKING GROUP

NAME	POSITION
Jessica Waltman	CHAIR
Annette Bechtold	Sit
Marcy Buckner	Sit
Neil Crosby	Sit
Erin Fisher	Sit
Karen Kirkpatrick	Sit
Alycia Riedl	Sit
Janet Trautwein	Sit
Jessica Watts	Sit



Finance Committee Teleconference

Date: July 8, 2019

MINUTES

1. Roll Call
Present: Kelly Fristoe, Eugene Starks, Paige Phillips, David Smith, Scott Wham, Laura Firestone, Mike Deagle, Janet Trautwein, Jennifer Murphy
Excused: Ray Magnuson, Susan Rider
2. Approve Agenda – Motion was made by Eric, second by David and the motion carried.
3. Comments and discussion concerning the monthly financial report
May 2019 Financial Statements and Trend Analysis — the committee reviewed the statements and other reports, dues and advertising revenue continue to lag behind budget. Expenses overall are under budget but not by enough to offset the revenue shortfalls.

Motion to accept the financials as presented was made by David, second by Mike and the motion carried.
4. Membership Reinstatement Fee – this was deferred to the Governance Committee to create a P&P. Jennifer and David will relay the comments and concerns of the Finance Committee to Governance for their consideration.
5. 2020 Budget Calendar – the committee reviewed the calendar so everyone is aware of the upcoming dates. Jennifer will send out calendar invites to the committee.
6. New Business – none.
7. Adjourn

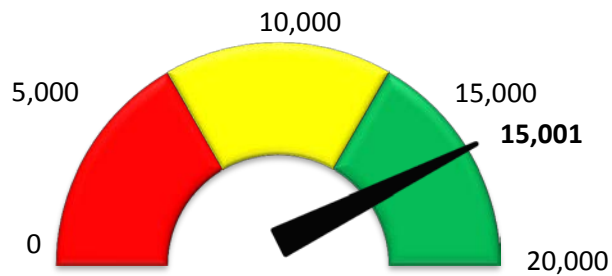
National Association of Health Underwriters
BALANCE SHEET
May 31, 2019

	This Year	Last Year	Variance	% Increase(Decrease)
ASSETS				
CURRENT ASSETS				
Operating Cash and Cash Equivalents	880,409.01	721,530.45	158,878.56	22.02%
Accounts Receivable, Net	214,520.70	267,582.09	(53,061.39)	-19.83%
Prepaid Expense	200,492.71	136,908.40	63,584.31	46.44%
Note Receivable	0.00	2,500.00	(2,500.00)	-100.00%
Total Current Assets	1,295,422.42	1,128,520.94	166,901.48	14.79%
SHORT TERM INVESTMENTS, at Fair Value				
LONG TERM INVESTMENTS, at Fair Value				
Equity Securities	1,031,846.40	1,679,690.99	(647,844.59)	-38.57%
Total Long Term Investments	1,031,846.40	1,679,690.99	(647,844.59)	-38.57%
PROPERTY AND EQUIPMENT, at Cost				
Office Furniture and Equipment	457,818.75	380,011.09	77,807.66	20.48%
Leasehold Improvements	460,953.93	460,953.93	0.00	0.00%
Less: Accumulated Depreciation & Amortization	(689,622.54)	(580,853.33)	(108,769.21)	18.73%
Total Property and Equipment	229,150.14	260,111.69	(30,961.55)	-11.90%
LONG TERM ASSETS				
Intangible Assets-REBC Designation	50,000.00	50,000.00	0.00	0.00%
Total Long Term Assets	50,000.00	50,000.00	0.00	0.00%
DEPOSITS				
Note Receivable	30,161.60	37,161.60	(7,000.00)	-18.84%
	0.00	2,500.00	(2,500.00)	-100.00%
TOTAL ASSETS	2,636,580.56	3,157,985.22	(521,404.66)	-16.51%
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts Payable and Accrued Expenses	212,579.91	93,522.83	119,057.08	127.30%
State and Local AHU Dues Payable	236,970.20	177,042.17	59,928.03	33.85%
Deferred Revenue - Membership	1,924,316.50	1,737,249.31	187,067.19	10.77%
Deferred Revenue - Conferences	369,038.50	50,300.00	318,738.50	633.67%
Total Current Liabilities	2,742,905.11	2,058,114.31	684,790.80	33.27%
LONG TERM LIABILITIES				
Deferred Rent Oligation	185,412.95	226,184.93	(40,771.98)	-18.03%
Deferred Tenant Allowance	109,456.90	154,749.34	(45,292.44)	-29.27%
Total Long Term Liabilities	294,869.85	380,934.27	(86,064.42)	-22.59%
TOTAL LIABILITIES	3,037,774.96	2,439,048.58	598,726.38	24.55%
NET ASSETS				
Net Assets, Beginning of Year	(286,206.25)	379,699.69	(665,905.94)	-175.38%
Current Year Activity	(114,988.15)	339,236.95	(454,225.10)	-133.90%
TOTAL NET ASSETS	(401,194.40)	718,936.64	(1,120,131.04)	-155.80%
TOTAL LIABILITIES AND NET ASSETS	2,636,580.56	3,157,985.22	(521,404.66)	-16.51%

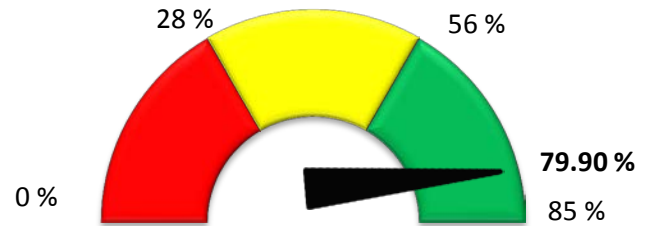


NAHU BOARD OF TRUSTEES KEY INDICATORS REPORT MAY 2019

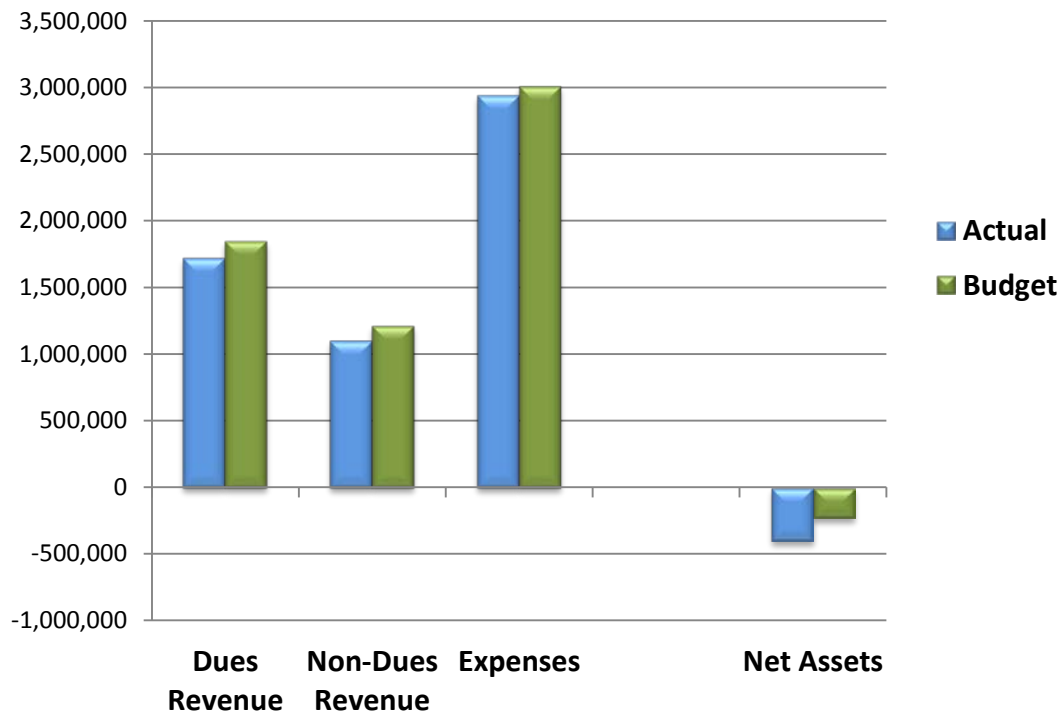
MEMBERSHIP



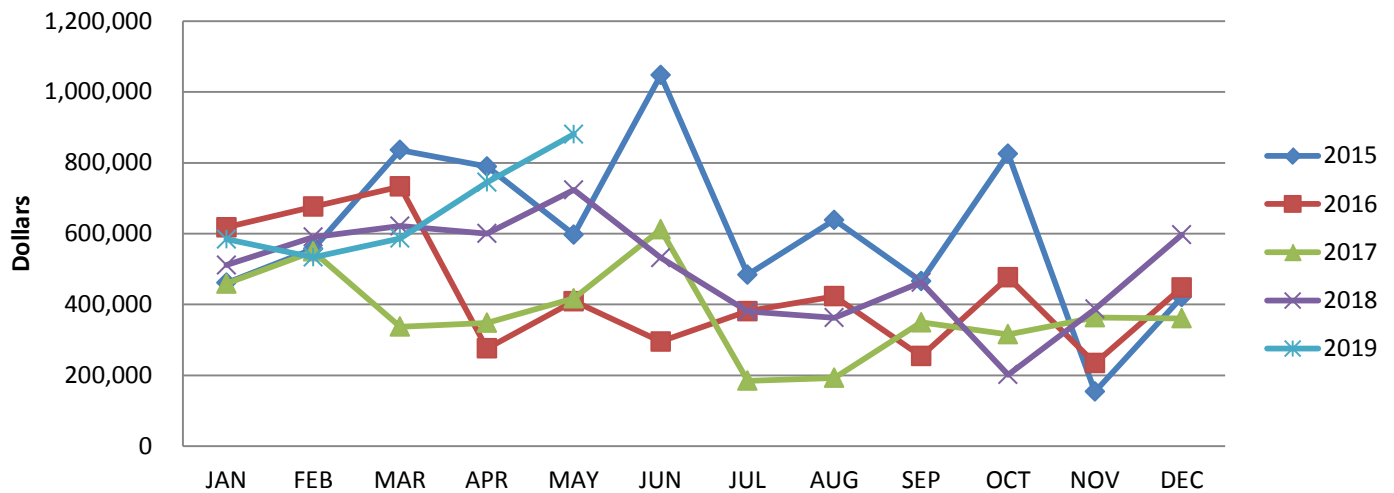
RETENTION



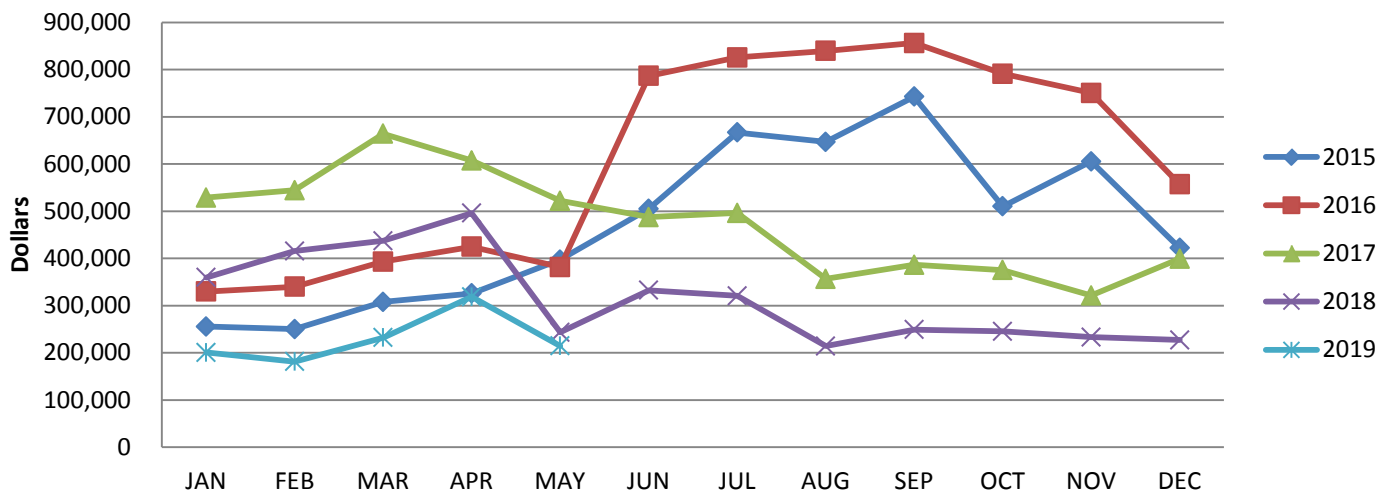
2019 TOTAL FINANCIAL RESULTS



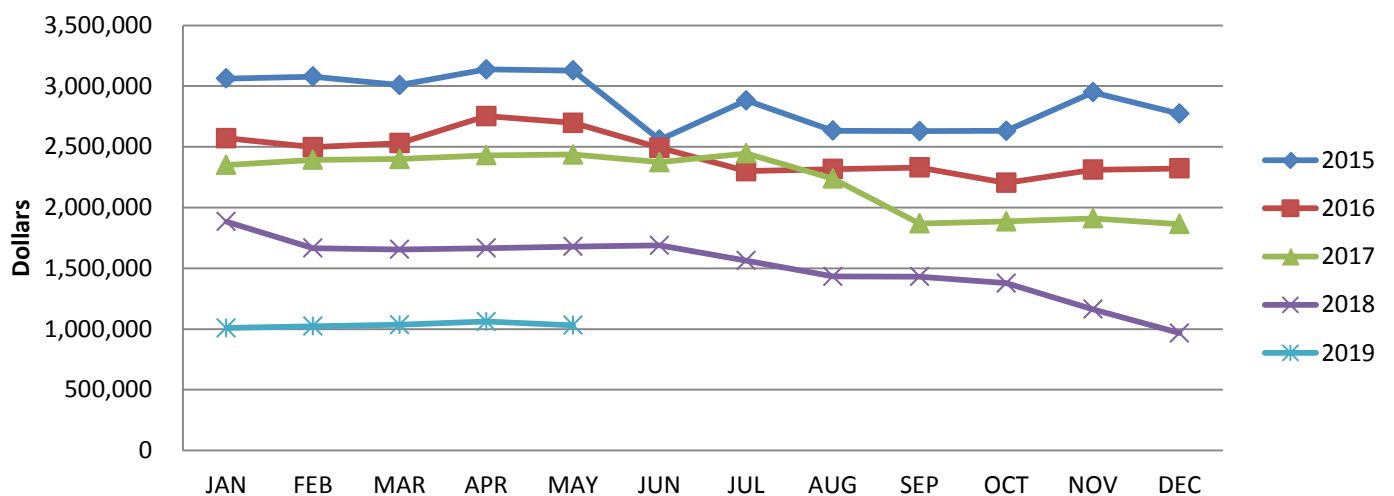
CASH



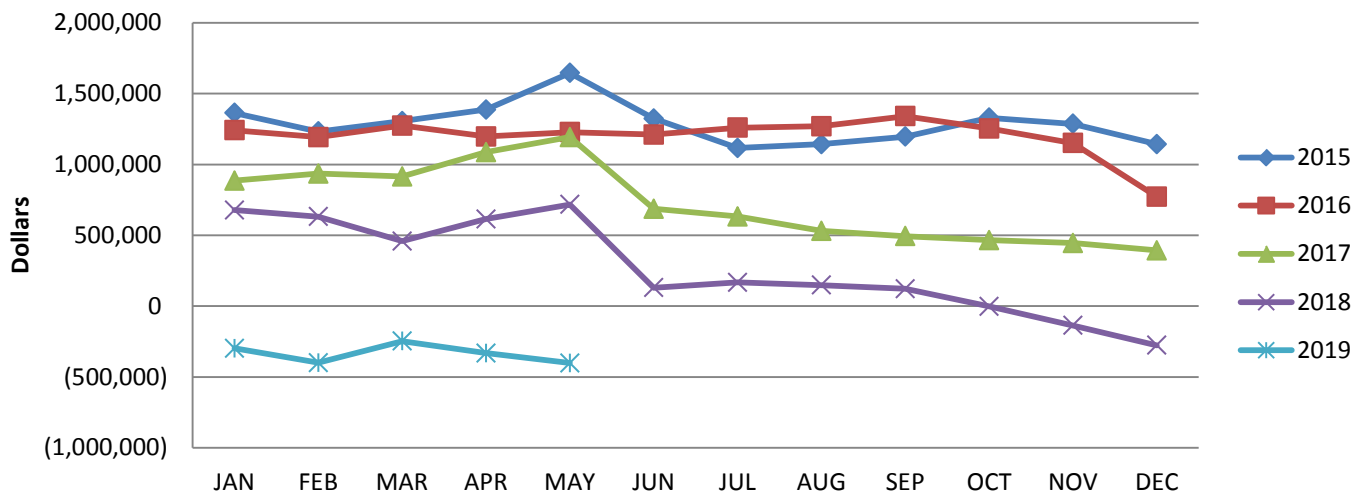
ACCOUNTS RECEIVABLE



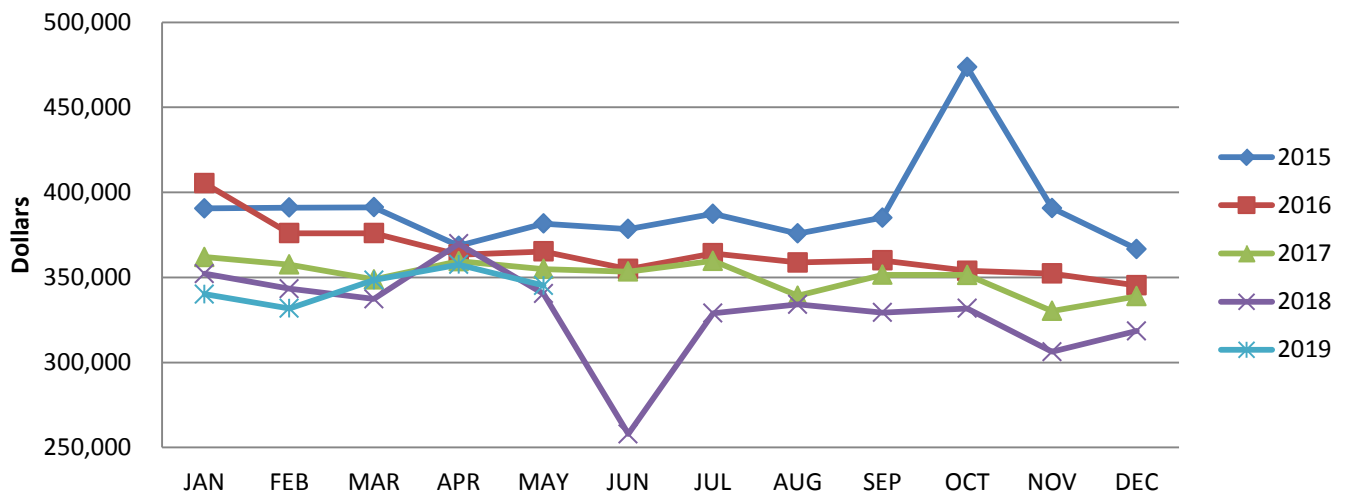
INVESTMENTS



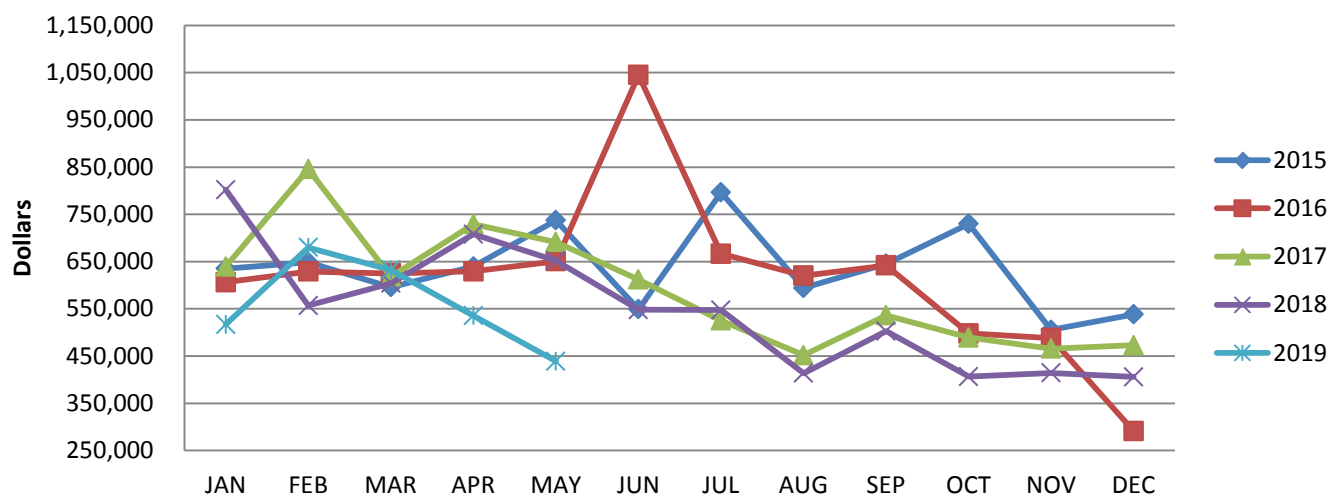
NET ASSETS



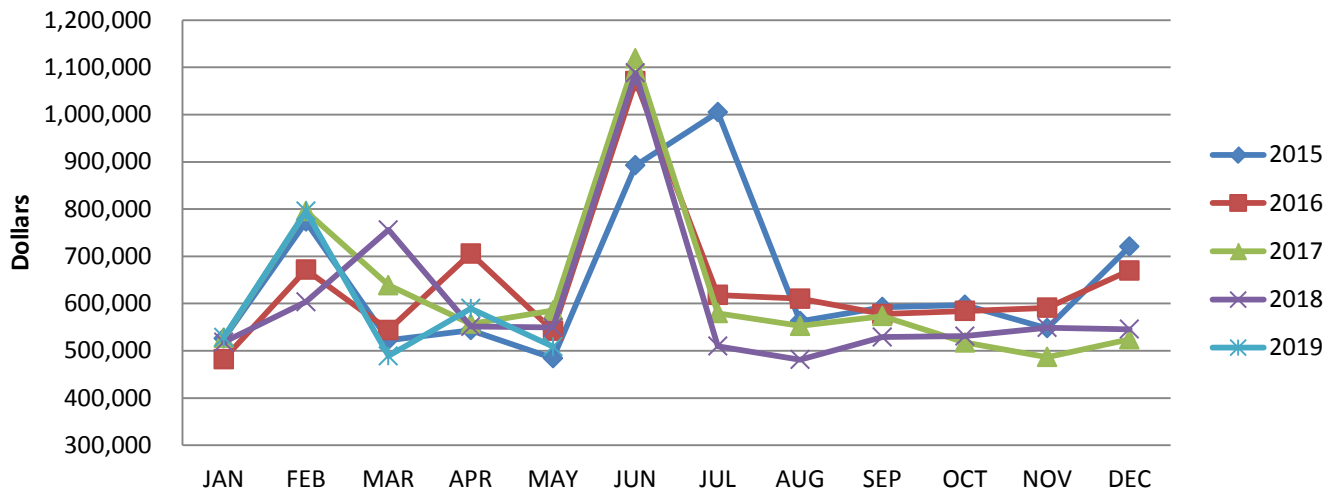
DUES



TOTAL REVENUE



TOTAL EXPENSES



Board of Directors conference call

July 29, 2019

Government Affairs Report prepared by:

John Greene, Vice President of Congressional Affairs

- House is in recess, Senate is working on nominations and non-health care related agenda
- Senate reporting bill companion expected Wednesday, July 31, 2019, Operation Shout ready to go
- 40 hour bill is also in place
- COBRA Update: Chris Hartmann met with W&M Committee staff who requested feedback on where to include COBRA in the BENES Act which is expected to move in the committee. Janet Trautwein is working with Chris on language. Senate COBRA bill is expected very soon, we already have a House companion bill.
- HELP Committee bill to address surprise billing among other things, will not be taken up by the Senate until after August recess. NAHU continues to work with the committee and do Hill meetings on the bill.
- Finance Committee bill to address prescription drugs passed out of committee but also faces an uphill climb before reaching the senate floor. Will also wait until end of August recess.
- HIT continues to grow cosponsors and a further delay is most likely to be taken up in the Fall.
- Excise tax (Cadillac tax) now faces new challenges as it sits in the senate for consideration.
- Bipartisan HSA bill dropped to allow those entering Medicare (age 65) to continue contributions.
- Administration released guidance expanding conditions for which HSAs can fund treatments including prescription drugs without having to meet the deductible. Effective now so self-funded plans may adjust their plan documents.



EVP/CEO Report June/July/August 2019

CEO Travel, July, August

I will be on vacation July 5th through 12th.

North Carolina	July 17 th and 18 th	Leadership meeting.	My purpose at this meeting is to get chapters back on track that are struggling.
Tampa, FL	August 22 nd and 23 rd	FAHU annual convention	Legislative Update with Single Payer emphasis.

Professional Development

- **Single Payer Healthcare 2019-new course will be ready for introduction in August**
- Redesign of Consumer Directed Healthcare certification – *HSA, HRA, FSA: Health Account Comparisons*
- **LEAD** – final review of proposals – cost proposition
- **Online book store** - <https://nahu.org/resources/publications/bsi-press>
 - Group Benefits Basic Concepts and Alternatives – 15th Edition release June 28th, 2019
- Classroom events:
 - 6/13 – Fort Worth – Medicare
 - 6/19 – Jacksonville, FL – Advanced Self-funding
 - 7/11 – Fort Worth – Advanced Benefit Account Manager
 - 7/16 – FNA Financial Services – Self-funding and Advanced Self-funding
 - 7/18 – Detroit – Self-funding
 - 7/22 – Workplace Benefits Mania – ESP (Employer Sponsored Plans)
 - 8/1 – BCBS of LA – Self-funding
 - 8/22 – FAHU – Tampa – Advanced Self-funding
 - 9/12 – Oklahoma City – Ben Tech

Compliance Corner

- June 20 – LIVE from NAHU | Maintaining Compliance Amidst Health Law's Legal Challenges (Marcy)
 - View recording:
<https://nahu.org/resources/publications/webinars/live-from-nahu-maintaining-compliance-amidst-health-law-s-legal-challenges>

- July 18 – HRA Final Rule (Joan Fusco & Annette Bechtold)
 - Register: <https://attendee.gotowebinar.com/register/2535688611349076481>
- August 15 – Electronic Disclosures (Barb Gerken)
 - Register: <https://attendee.gotowebinar.com/register/8187060730373559809>

Government Affairs

- Senate HELP Bill: Lower Health Care Cost Act
 - An emergency legislative council meeting was called to discuss the text of the discussion draft and how to respond to the broker transparency section of the bill.
 - Broker Transparency
 - We submitted comments on the discussion draft section regarding broker transparency, requesting that duplicative reporting should not be put in place since agents and brokers are already subject to state reporting requirements and the federal Form 5500.
 - We led the “agent alliance” in sending similar comments.
 - We were successful in having more lenient language included for brokers that may not have an estimate of compensation that will be earned, so that they may just disclose that they may receive additional compensation (based on OneDigital disclosure currently in use)
 - We submitted edits to the “manager’s amendment” requesting that the disclosure provisions apply only in the large group market
 - We are currently working with HELP Committee staff and members of the committee to have this amendment included (may have an update prior to the Board meeting)
 - Surprise Billing Section
 - We submitted comments on the discussion draft stating our preference for benchmarking for the surprise billing section.
 - This recommendation was included in the bill text
 - A hearing on the bill will be held on June 26
 - Senate staff is not optimistic about the bill passing the Senate in its current form, and recognizes it will be even harder to pass in the House. It will be more likely to get a standalone bill from the Senate on surprise billing to pass.
 - Updates have been provided to members in every Washington Update and podcast since the discussion draft was released earlier this month
- NAHU is a founding member of the “Coalition to Stop Surprise Billing”
 - This coalition includes several other stakeholder groups, and NAHU was able to join at no cost because of the high return on investment we provide as members of the coalition with our work with the media and grassroots
- HRA Final Rule
 - The HRA final rule was released on June 13
 - A summary was provided in the Washington Update and Compliance Corner blog, as well as an all member email the day the rule was released
 - A full review of the new rule will be provided during the July 18 Compliance Corner webinar
 - The rule allows for employers to fund individual HRAs under two new provisions
 - Individual HRA: would allow employers to offer an HRA for tax-preferred funds to be used for the purpose of paying all or a portion of individual health coverage in lieu of a traditional group health plan. This would effectively provide the same tax benefits of the employer exclusion for individuals who obtain coverage on the individual market. The individual coverage HRA will be available on a class-by-class basis, with employers permitted to create classes of employees around certain employment distinctions, such as

salaried workers versus hourly workers, full-time workers versus part-time workers, and workers in certain geographic areas. Employers will be able to maintain their existing group health plan for current enrollees, with new hires offered an individual coverage HRA.

- Excepted Benefits HRA: permits an employer to offer employees an HRA for excepted benefits, although the rule firmly states that excepted benefits are not individual coverage. Further, employers are not permitted to offer employees both an HRA for purchase of individual health coverage and an HRA for excepted benefits. This provision permits employers that offer traditional group health plans to provide an HRA of up to \$1,800 per year, indexed to inflation, to reimburse an employee for certain qualified medical expenses, including premiums for short-term plans. Excepted benefits must not be an integral part of the health plan, the HRA must be made available under the same terms to similarly situated individuals, and the HRA cannot provide reimbursement for premiums for traditional health insurance coverage. This HRA could be available even if the employee doesn't enroll in the traditional group health plan.
 - NAHU specifically opposed the provision to reimburse individuals for the purchase of short-term plans under the proposed rule.
- The agencies are expected to release further guidance on implementation of the final rule, including on how employers are to track and report the use of these new HRAs, and we will continue to update members as these resources become available.
- President Trump's Executive Order: Improving Price and Quality Transparency in American Healthcare to Put Patients First
 - Signed on June 24 will:
 - require hospitals to disclose information about their negotiated rates in a format that's understandable and usable by patients.
 - require insurance companies to provide patients with information about cost of care, including out-of-pocket costs, before they receive services.
 - develop a comprehensive roadmap for consistent, limited, consumer-centric quality metrics.
 - disclose de-identified federal healthcare data that protects patient and consumer privacy, enables transformation of the healthcare marketplace, and allows researchers to develop tools and analytics to allow patients to be at the center of their healthcare.
 - expand the availability of HSAs to cover direct primary care arrangements and healthcare sharing ministries, include more preventive services and products that can be covered in the deductible period-and issue guidance on the amount of funds that can be carried over at the remainder of the year for FSAs.
 - HHS, the Department of Labor, and the Treasury have all been tasked with writing regulations to fulfill the executive order. We will be providing a timeline of the expected policymaking and working with the agencies as they begin to write these rules
- Cadillac tax
 - The House will vote on July 15 on the Cadillac Tax repeal bill
 - Over the next two weeks NAHU will be enhancing our activity on social media, grassroots, and HUPAC communications in an effort to ensure the bill passes the House

HUPAC

- HUPAC developed a new infographic to explain the importance of the PAC in an easy to read and concise manner.
- Total fundraising is up 2% from this point last year (an election year).
- Renewed commitment from UBA to match up to at least \$20,000 in contributions to HUPAC.

Communications

- --For the magazine and online properties, we're significantly ahead of where we were last year, ad-sales-wise, and almost to budget (see attached).
- --The photos from our last few meetings are online and available to any member:
 - Cap Conference 2019: <https://photos.app.goo.gl/JmhsHAmcCj4UQF5MA>
 - Annual Convention 2018: <https://photos.app.goo.gl/Z8844TnScvWpd2HD6>
 - Cap Conference 2018: <https://photos.app.goo.gl/CJBKx74DwnsTLgPQ9>
- --We're doing an online Show Daily at Convention this year, for the first time. This will save us the usual printing and production (Mary Ann) costs.
- --We have updated quite a few of our marketing pieces and are printing some (PD courses) in time for Convention.
- --We have created and sent approximately 250 MagnetMails to our members (some to all members, most to subsets) so far this year on everything from membership to meetings to PD to news updates.

Awards

- The number of total awards submitted increased.
- The consistencies of having all the awards submitted in the same format made it easier to judge the awards as well as identify necessary changes or issues with the awards.

Public Relations

- We've really focused on Op-Eds this year with the need to influence legislators in various districts and it has been very effective.

Editorial Success (January – June 2019)

Op-Ed -- Congress Needs to Enact Employer Reporting Reform

<u>Clinton Chronicle</u> (Clinton, SC)	1/16/2019
<u>The Cordell Beacon</u> (Cordell, OK)	1/23/2019
<u>The News Herald</u> (Southgate, MI)	1/29/2019
<u>Marshfield Mail</u> (Marshfield, MO)	1/28/2019
<u>The News Herald</u> (Southgate, MI)	2/3/2019

Op-Ed -- Repeal the Cadillac Tax

<u>The Greenville News</u> (Greenville, SC)	1/19/2019
<u>The West Lyon Herald</u> (Rock Rapids, IA)	2/6/2019
<u>Superior Telegram</u> (Superior, WI)	2/23/2019
<u>Sun Independent</u> (St. George, UT)	2/28/2019
<u>The Cordell Beacon</u> (Cordell, OK)	3/6/2019
<u>The News Journal</u> (Florence, SC)	3/6/2019
<u>Sentinel News</u> (Ogden, UT)	3/10/2019
<u>Grygla Eagle</u> (Grygla, MN)	3/13/2019
<u>Leader-Record</u> (Gonvick, MN)	3/13/2019
<u>Oklee Herald</u> (Oklee, MN)	3/13/2019
<u>McIntosh Times</u> (McIntosh, MN)	3/13/2019
<u>The Mountaineer</u> (Waynesville, NC)	3/19/2019
<u>Afro-American Newspapers</u> (Washington, DC)	4/8/2019

Op-Ed on Medicare for All

<u>Detroit News</u> (Detroit, MI)	3/7/2019
<u>Sentinel News</u> (Ogden, UT)	3/14/2019

<u>Port Saint Joe Star</u> (Port St Joe, FL)	3/21/2019
<u>Sentry</u> (Pompano Beach, FL)	3/21/2019
<u>Cass Lake Times</u> (Cass Lake, MN)	4/3/2019
<u>Pike Press</u> (Pittsfield, IL)	4/10/2019
<u>Southern Chester County Weeklies</u> (West Chester, PA)	4/12/2019
<u>Ceres Courier</u> (Ceres, CA)	4/17/2019
<u>Associated Press</u> (Washington, DC)	5/2/2019
<u>Chron.com</u> (Houston, TX)	5/2/2019
<u>The Citizen</u> (Fayetteville, GA)	5/7/2019
<u>Press and Journal</u> (Middletown, PA)	5/8/2019
<u>The Mountain Mail</u> (Salida, CO)	5/8/2019

Op-Ed on Surprise Billing

<u>The Daily Herald</u> (Everett, WA)	6/16/2019
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Op-ed syndication for this editorial is in the works now. It's a great way to amplify our message and receive additional media coverage on this very timely opinion piece.

Media Hits (January – June 2019)

- Over the past six months, we have received more than 2,020 press hits, including: The Associated Press, Washington Post, CNN, New York Times, Politico, U.S. News & World Report, Bloomberg Roll Call, Chicago Tribune, Houston Chronicle, Washington Times, Los Angeles Times, Oklahoman, Detroit Free Press, ABC News, CNBC, Fox News, as well as national trade and business publications such as Kaiser Health News, Crain's Chicago Business, Benefits Advisor, Life & Health Advisor, Insurance and Financial Advisor, California Broker and many more.

New Infographics (January – June 2019)

An Unwelcome Surprise
Surprise Medical Bills — Here's how they may happen.

"Is my doctor in-network?"
A patient in need of care checks to see whether her providers and facility (e.g., clinic or hospital) are in-network.

"I'm covered, right?!"
It appears her providers are in-network, so she's confident her insurance will cover her treatment.

The Fine Print
Sometimes, providers who work in a clinic or hospital refuse to participate in that facility's network. So patients are often unaware they may receive care from an out-of-network specialist — say, a radiologist or anesthesiologist — at an in-network facility.

Solutions

- Require any out-of-network provider to provide written notification before scheduling treatment.
- Place a limit on what out-of-network providers can charge patients and plans.

Hardworking Americans need protection from surprise medical bills. NAHU

HUPAC OUR VOICE, OUR INDUSTRY, OUR FUTURE

HUPAC ALLOWS US TO...

- Engage**
HUPAC engages with lawmakers from both parties to make sure NAHU members' voices are heard.
- Educate**
HUPAC educates legislators about how to provide Americans with superior health care.
- Support**
HUPAC supports lawmakers who prioritize high-quality, low-cost health care.

HOW HUPAC WORKS

Where does your contribution go?

Identifying worthy recipients
The HUPAC Board selects candidates based on their positions on key healthcare issues.

The ideal candidate

- Believes in a privately run healthcare system
- Understands the importance of health insurance agents and brokers
- Supports legislation that advances the interests of consumers, agents, and brokers.

Why HUPAC matters
Your contribution to HUPAC allows us to communicate to policymakers how their decisions impact your industry and your clients.

MAKE YOUR VOICE HEARD
Join us on our March to \$1.5 Million. Visit HUPAC.org

- We are building the foundation to do **more broadcast media**. This year we've held two broadcast media training sessions for members and we are doing another one during the media breakout session in San Diego.

Chapter Leadership & Development

- The committee has a task force reviewing the certification program. This task force is working with the awards committee to ensure the programs support each other.
- One page job descriptions are being developed. The descriptions will include key duties, where to find supporting tools, and estimated time commitment.

LPRT

- Applications are on track to reach the stated goal.
- The benefits have been stated in a clearer way to emphasize the benefit of being a Soaring Eagle.

Finance

- The 2017 Audit will begin July 16th - draft report completed by the September budget meeting
- The budget meeting will be held September 14-15 in Washington, DC. The templates will go out to RVP's and department heads on July 9 and need to be turned in on August 6

Medicare Summits

Date	Region or Chapter Sponsoring Event	New Mbrs.
3/22/2019	South Carolina AHU	27
4/1/2019 - 4/2/2019	FAHU	18
4/29/2019 - 4/30/2019	NYSAHU	0
5/8/2019	ISAHU/IAHU	7
6/10/2019	VAHU	4
6/10/2019	Kentucky AHU	2
7/11/2019	CIAHU (Central Illinois)	
8/1/2019	OAHU (Oregon)	
8/8-8/9/2019	Georgia AHU	

Membership

- The Agency Membership has been launched. From the first two email and social media solicitations, 35 Agencies inquired, with 210 total eligible agency members – 182 which will be signed up (87%) under the new program. Of the 182, 93 are current members and **89 are new members**.
- Launching new affinity partner, CXC Solutions, a benefits compliance solution. CXC will offer all NAHU members complimentary access to its Compliance Central platform as well discounts on additional products and services.
- We have 4 winners in our chapter membership growth contest. The good news is that all 4 exceeded their goal. The better news is that 82 chapters met or exceeded their 5% net growth goal during a very short period of time.

Large Corporate Partner/Principals Council News

- Corporate Partner executive meetings held with The Horton Group, Alliant/Mesirow The Alera Group, Holmes Murphy and UBA. Presented customized proposals to expand our relationship by increasing membership, professional development offerings, and other benefits with these large agencies.
- Held a special Principals Council and General Agency Principals Council call with Janet and the Government Affairs team to discuss Medicare for All efforts in Washington.
- Corporate Partner Presentations – March, NFP (Marcy), May, Brown & Brown, UBA and Alliant/Mesirow (Janet)
- Extended invitation to Alliant to join the Principals Council (pending).

Staff News

Staff Birthdays:

- June
 - Ulla 6/5
- July
 - Dan 7/23
 - Farren 7/25
 - Dagmar 7/29
- August
 - Robin 8/23

Anniversaries:

- June
 - Janet 22 years
 - Alex 7 years
 - Chris 6 years
- July
 - None
- August
 - Farren 19 years
 - Brooke 18 years



NAHU's Code of Ethics & Antitrust Overview

Over the years, I have received a number of questions concerning whether or not NAHU or a state or local chapter can enforce the NAHU Code of Ethics, either preventing a person from becoming a member, revoking membership, or creating some other type of punitive mechanism relative to the code.

Federal antitrust laws have an important bearing on membership policies and disciplinary proceedings of professional associations. The services and activities of an association like ours provide economic benefits to its members – in our situation, benefits professionals. Expulsion from an association or denying the right to be a member in some other way is held to place the individual at an economic disadvantage relative to other association members. Such a denial of the right to membership can be construed as a restraint of trade and a violation of the antitrust laws. For that reason, NAHU holds its Code of Ethics to be aspirational - a code that we aspire to but not one that we actively enforce.

In addition to potential antitrust liability were we to attempt to enforce our Code of Ethics, NAHU would have potential exposure to defamation and other claims. Statements we might make in terms of the reasons for our actions, whether true or false, could constitute intentional infliction of economic harm. The penalties for violating these laws are severe, with the possibility of both civil and criminal charges. An individual may be fined up to \$1 million and a corporation up to \$100 million if found to have violated the antitrust laws. If violations are considered egregious, jail sentences up to ten years can be imposed. Additionally, there are civil penalties available to government antitrust enforcement agencies such as a cease and desist order and dissolution of our association. In addition to government enforcement of the antitrust laws, an individual or company that suffers injury as a result of an antitrust violation may file a private suit against the violator and recover treble damages.

Another type of question I frequently hear concerns actions taken by insurers relative to contracts or commission levels. NAHU is not a union, and we are prohibited from negotiating with insurers on behalf of our members. In addition, the antitrust laws prohibit NAHU or a state or local chapter from discussing agent/broker compensation or contracts (and other similar actions) with carriers. The antitrust laws require agents and brokers to make certain decisions by themselves, and not in conjunction with each other. Discussions relative to commission levels or what a fair commission level is are prohibited, as is any mention of refusing to deal with or boycotting an insurer.

So, what can we do if we believe someone in our industry is not behaving in an ethical manner? Whether the party we believe has committed the wrongful act is an insurer or a competitor, if we believe the actions taken constitute illegal behavior, we can go to the relevant regulatory authority with a complaint. If the area is grey and there is a feeling that the party in question is being allowed to do things other competitors would not be permitted to do, the regulatory authority has the final authority as to whether a particular action is or is not permissible under the law.

Violation of the antitrust laws would prevent us from providing you with the services you need to succeed in your business. **Our strongest desire is to help you be more successful. Please visit our website or ask us how we can help you achieve your goals in the coming year.**



GUIDELINES FOR MEETINGS OF THE NATIONAL ASSOCIATION OF HEALTH UNDERWRITERS

The following general rules for the conduct of meetings should be adopted to avoid potential antitrust problems from NAHU activities:

1. A meeting should be held only if there are proper matters to be discussed which justify the meeting.
2. In advance of every meeting, a notice of the meeting, with an agenda, should be sent to each member of the group.
3. The agenda should be specific and avoid broad topics such as "marketing practices" or "account terms", which may raise questions from an antitrust standpoint.
4. Participants at the meeting should adhere strictly to the agenda. In general, subjects not included on the agenda should not be considered at the meeting.
5. If a member brings up for discussion at a meeting a subject of doubtful legality, he should be told immediately the subject is not a proper one for discussion. This, of course, is the counsel's responsibility, but in the absence of counsel, the NAHU staff representative or any member present who is aware of the legal implications of a discussion of the subject should attempt to halt the discussion. Should the discussion continue, despite protest, it is advisable that members leave the meeting.
6. Accurate minutes of all meeting should be kept by NAHU.
7. Secret or "rump" meetings held at the time of the regular meeting should be strictly avoided. Such meetings seldom have any purpose except to discuss activities of doubtful legality, and can seriously jeopardize legitimate activities and create a very substantial risk that those activities will be investigated. A NAHU staff member should usually attend all meetings.
8. During meetings there should be no recommendations with respect to "sensitive" antitrust subjects, i.e., those that relate to price, the selection of customers or suppliers, and product markets. Prices should not be discussed at all. In the less sensitive areas, such as standardization activities, recommendations may be permissible.



Specifically, the following topics are among the matters which should not be discussed at meetings of NAHU:

1. Do not discuss CURRENT OR FUTURE PRICES.
(Discussion of past prices also warrants care.)
2. Do not discuss WHAT IS A FAIR PROFIT LEVEL.
3. Do not discuss PRICE ADJUSTMENTS.
4. Do not discuss CASH DISCOUNTS.
5. Do not discuss CREDIT TERMS.
6. Do not discuss ALLOCATING MARKETS.
7. Do not discuss CONTROLLING SALES.
8. Do not discuss WAGE RATES.
9. Do not discuss REFUSING TO DEAL WITH A FIRM.