



BROKERS MAKING A DIFFERENCE

Health Insurance Agents Help Consumers and Employers
Secure Affordable Health Insurance



MISSISSIPPI



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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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"My mother has been an insurance agent for many years. Like her, I started at the bottom—answering phones, filing, entering individual policies into the system, and learning the business from the ground up. I soon found out that many of my assumptions about the health insurance industry, and the job of an independent agent, were quite wrong.

As a health insurance agent, I understand our role of working for our clients and negotiating with insurance carriers. I maintain and acquire new clients by showing them providers and plan designs that will either save them money on their existing benefits, provide them with better benefits for the same money, or accomplish both.

Some businesses just starting a benefit plan will also call us or be referred to us for help in this process. These are my primary modes of acquiring new business.

Either way, my ongoing job is to then educate the employer's representative, usually an office manager or CFO, about their particular carrier, plan design or group health insurance in general. I then present the benefit plan to the employees, enroll those who are interested, compile their paperwork and submit all the information to the carrier. I also enter all the information into my own database to monitor employee changes and movements throughout the years. I also work with the employer to help them understand the constant changes with carriers and regulations around the healthcare industry.

Once a year, the insurance carriers review and adjust the price they are charging their clients in

concurrence with the group's claim experience. For every account and every renewal, we study the market to make sure that the carrier and current plan design are best suited to the client's needs. This can be a frustrating process because we cannot always shield clients from inflation.

This is a personal business. We are involved with people and their families. It's not just about the numbers, even though a large part of my job is protecting my client's money by finding them the most cost-effective solutions for their needs. This job can be exhausting, frustrating and even heart-breaking as we are involved in people's lives and health problems. Much of it is not pretty, especially when doctors, hospitals and healthcare are involved.

The second case I ever wrote was for a lumber company down in southern Mississippi. The owner was a retired CPA who bought a logging company that became the family business for his son, daughter, and son-in-law. I met with the owner and showed him a plan with a new carrier that would

save him \$40,000 a year. On seeing this new plan and the savings generated, he commented, "Do you know how much work we have to put in to make that kind of money?" It felt good to be able to do something for a man like him—a man I respect. As I was reflecting on this case later, I thought to myself, I like this job.

After two years of working with that man, I've kept them under their costs, even when they had some challenges with their carrier and claims experience. But that's also why we spend 20-30 hours per year in continuing education, and another 40-80 hours

"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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per year studying new plan designs and new regulations during long seminars—to be able to provide the kind of expertise that I was able to with my lumber company.

But even with the rewards there is also a cost. I face job-security threats from the political situation both in my home state of Mississippi and at the federal level. Competition is what keeps us in the game. Changes in the economy, competition within the agent community, and our own personal challenges constantly keep us on our toes.

I am proud of what I do. I make a difference every-day in people's lives and businesses."

- Dennis Mobley (Broker)

