



BROKERS MAKING A DIFFERENCE

Health Insurance Agents Help Consumers and Employers
Secure Affordable Health Insurance



NEBRASKA



National Association of Health Underwriters
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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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"As an independent broker serving self-employed professionals and tradesmen, I service many of the major individual health insurers, each with a group of products, and with each company having a different set of underwriting challenges. I consider myself an expert field underwriter who presents the product most fitted to the client.

The benefit I bring to the client is that I assist each client through the challenges of their relative underwriting, and bring them price efficiency. That efficiency generates rewards for the positive choices they make regarding their health. Examples of that reward include

low relative body-weight and a non-smoking status. My active analysis of the deductible/premium ratio assures them that they do not need to pay excessive premiums to achieve a low deductible.

The result of my efforts is that these individual plans are more affordable than group plans of similar content.

That is just because the group plans have premium up-charges for tobacco and obesity built in for all insured.

In summary, the insurance policies I present can reward the insured for his accountability and actuarial advantage with lower premiums, and an attitude of not insuring what is not important to the client."

- Tom Hanthorn

"Two years ago, I received a phone call from a 32-year-old woman. I could hear the desperation in her voice from the onset of our conversation.

She was quick to explain to me that her husband had been laid off and their COBRA was running out in 30 days. This was a major issue because she was on Medicare through disability. This poor young lady had a terrible kidney disease, and was receiving dialysis regularly. She was also legally blind, due to complications with her disease. As her COBRA period was ending, she'd tried frantically to find a coverage solution for herself and her family. She had been in contact with all of the state and federal agencies she could think of, including HHS, CMS and SHIP, a volunteer coverage explanation agency for Medicare recipients. All of these resource points told her she had no coverage options

outside of her husband getting new group insurance. That was not happening fast enough, and may not have happened at all. The client couldn't accept this.

She found my name via the Nebraska Association of Health Underwriters' website and called for help. Upon reviewing her case, I found that one company had filed their Medicare Advantage plan in NE to accept participants

under the age of 65, on social security, disability and Medicare. Since I was not licensed to sell this product, I put her in touch with the right people at the company offering this product. After some joint explanation of her scenario and how they filed their product, she was successfully enrolled.

Through all of the heated exchanges and tears, I realized the vast holes in the administration of our safety net programs. I took it upon myself to assist people in need. Although it makes little difference, as I acted out of principal, neither my firm nor myself made a single dollar on her case. However,

"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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I was proud to use my skills to better someone's position in life. I am becoming concerned that this scenario will become more commonplace and ultimately unsustainable, if the agent is crowded out of the solution side of healthcare reform."

- Brian Urban

"Surprisingly, I would say the vast majority of people inside of the health insurance industry are appalled by the expansion of dependent eligibility to age 26. In addition, the universal health insurance industry reaction of ceasing to offer child-only coverage due to the removal of preexisting condition limitations has proven to be very detrimental to the marketplace. In short, parents are forced to either pay for child coverage at higher costs through their employer plan, apply for individual coverage themselves in order to get their children covered on an individual policy, or cease to cover their children altogether."

- Scott M. Stevens

