



BROKERS MAKING A DIFFERENCE

Health Insurance Agents Help Consumers and Employers
Secure Affordable Health Insurance



NEW MEXICO



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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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"A few years ago (pre-Patient Protection and Affordable Care Act), I met with an individual who was looking for insurance. She was healthy and did not take any medications, so I suggested that a high deductible health plan with a health savings account may work well for her. After a detailed description of this idea, and reviewing the numbers, the client agreed. We reviewed her plan every year, and that plan continued to be the best fit for her.

Last year, she scheduled an appointment to see me at a time that was not her during her plan renewal. She came to tell me that she had been battling cancer and to thank me for selling her that particular plan. She knew exactly what her out-of-pocket maximum would be each year, and she had money in her HSA account to cover it. She was there to thank me because she didn't have to worry about finances along with her medical condition. She also informed me that there was nothing more that the doctors could do for her. Sadly, she died 2 weeks later."

- Danine Baca (Broker)

"As a carrier in the health care industry, we need our brokers to help in solving the issues for our members and the employers. They give the personal touch of sitting down and explaining how a claim is paid or if something wasn't covered they work to get a better understanding as to why it wasn't.

One broker helped a member's child had a surgery, but the hospital billed and the surgeon billed did not correspond. It took a conference call between the two parties to resolve the issue and to have both claims paid. If it wasn't for their broker's dedication,

the member would have paid over \$10,000. With the broker's involvement it was \$500.

As brokers, they not only need to know all the ins and outs about healthcare, they have to know about how the entire system works from the plan sold all the way to the doctor's office and then to the pharmacy. What does it mean when a drug needs a prior authorization, has a supply limit or is a step therapy drug? It takes knowledge, patience and time; brokers have all these great attributes."

- Janelle Brookhouser (Broker)

"In rural areas it is typical that a small business will pay for the health insurance of their employee but not the family. If husband and wife are both working, their respective employers pay most of the cost of health insurance for them. It is very costly to add children to a group health plan, so most of my clients bought child-only policies—which are very affordable—for their children. When the provision that carriers have to offer coverage to anyone under 18

came into effect, it caused the carriers to stop offering these policies, so these people had to enroll their children in their employer group plan at a much higher rate."

- Renee Swickard (Broker)

"In November of 2008, I had a man come into my office on a referral. He was transferred to the "local" office of his employer from the Texas branch. His medical insurance for his family was through BlueCross BlueShield of Texas and did not extend to our area. We applied for coverage through BlueCross BlueShield of New Mexico for him, his

"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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wife and infant. His wife was declined for coverage, so I enrolled her into the New Mexico Medical Insurance Pool (high-risk pool). The NMMIP allows for discounts of 25%, 50% and 75% due to household size and income. They did not qualify for a reduction at the time as his income was above "poverty level", but we had obtained insurance for the entire family.

In March of 2009, this same man came into my office distraught over the fact he had been let go from his job making \$70k per year and was looking for work. He did not know how he was going to afford health insurance for his family. I advised him to go down to the human resources office and get an application for his son to go on Medicaid and to keep him on the BlueCross BlueShield New Mexico policy until he was approved. Once the son was approved, we canceled him from his policy, saving \$50 on his monthly premium. We then got the paperwork together to complete the Low-Income Premium Program Supplemental Program application and filled it out for his wife to receive the allowed discount from NMMIP. They qualified for a 75% discount, saving another \$201.75 on their monthly premium.

There are those who think insurance agents are all about commission. I beg to differ. Our clients are more than numbers; they know they can come to us regardless of the matter and we will help in any way we can. In the example I gave above, our agency lost the "commission" by our own recommendation. That is customer service at its best and I am proud to be among the scores of health insurance agents who abide by the principles of integrity in their business."

- Nicole McWilliams (Broker)

"I am an independent broker based in Albuquerque, NM. We are most certainly a small employer state, and the majority of my clients have less than 20 employees. In almost all cases, there is not a designated human resources professional. The same person frequently wears many hats: HR, benefits,



payroll, etc. I see my functional role as a member of their management team. I assist daily with enrollment issues, questions on eligibility, resolution of claim issues, and guidance on where to find data on compliance issues (Medicare, HIPAA, SCHIP, COBRA, etc.).

My clients know that I am their go-to person when these issues arise. They have businesses to run, and I save them an enormous amount of time and resources by always being available. In a nutshell, they know that if they call me, I either have the answer or know where to find it. If brokers are factored out in the health care reform process, where will these employers go for help?"

- Kevin Pelletier (Broker)

