**Role of the Professional Health Insurance Agent**

1. **What kinds of consumer protections do agents offer their clients?**

By going through an agent, consumers have the advantage of the experience and advocacy of a professionally licensed health insurance advisor. Not only are agents able to help people find a plan that fits their health and financial needs, but agents also offer a litany of consumer protections to their clients. Agents are required to complete continuing education courses through their state department of insurance in order to keep their license, and they go through additional certification training to be able to sell exchange policies. Long after a policy is sold, agents continue to administer plans by working directly with carries to resolve any billing and coverage issues that might arise. They also have professional liability insurance, have been proven to decrease insurance fraud, and improve claims processing efficiency and coverage stability.

1. **How are agents different from navigators?**

The promise of navigators is that they will have a special relationship to a specific population—this will enable them to effectively conduct outreach and education to these populations as trusted entities. That is not all that different from how brokers are seen by their clients and in their communities. We see the role of navigators and brokers as complimentary—many of our members already work with entities that are likely to be navigators or they are invited to speak at their events or they are brokers for the entities’ employee plans now.

1. **What are the concerns about navigators?**

Our greatest area of concern is that navigators may try to be what they’re not—insurance experts. The decision of which health plan is right for someone cannot be distilled by asking a few questions and selecting from a computer list of options. A plan that appears to be the best price or meet a consumer’s expressed needs may not be the right one. For example, someone may have a chronic illness or other special health need that is better met by one health plan’s network than another—and that plan may be outside of the exchange. A navigator will not have this knowledge that has taken years to acquire. Also, the selection of a plan is just a first step. Most of a broker’s value is in service after the sale whether it’s advising on plan benefits, cutting through red tape on claims’ issues or helping a client when a plan comes up for renewal in a year. Also, we would be remiss if we didn’t acknowledge that navigators and brokers will have access to highly sensitive financial, medical and personal information. There are clear legal issues to improper disclosure of this information. If there is a breach, consumers must be protected and have recourse. This is commonplace protection provided by brokers. It’s not clear that this kind of protection will be afforded by navigators.

1. **What should happen on the state and national levels regarding navigators?**

The states have long standing legal authority to regulate the marketing and sales of insurance. We believe that this regulatory role of the states is critical. This includes the regulation of navigators.

**Individual Issues**

1. **What do individuals need to know for the coming year?**

If you are not enrolled in a health insurance plan before March 31, 2014, you will be subject to a tax penalty. While you may only have to pay $95 or 1% of your income, whichever is higher, this year, that penalty will increase each subsequent year until it reaches $695 in 2016. But you will also be guaranteed coverage, meaning no pre-existing condition limitations or life-time coverage limits. Make sure you are aware of any subsidies you can receive or if you qualify for a Medicare, Medicaid or CHIP plan. Talk to your agent to find out your best options.

1. **How do “skinny networks” affect the healthcare market?**

Skinny networks are not always a bad thing—if you are trying to keep costs down and you don’t have a lot of flexibility of benefit structure, limiting the providers increases your buying power and allows you to hold down costs. The danger of skinny networks comes is if you aren’t aware of which providers are in the network and if you have special requirements or want to keep an established provider relationship. For some individuals, the subsidy may not be sufficient to offset the inconvenience, loss of continuity or limited ability to go to a provider of choice. In such cases, it may be better to purchase broader network coverage even though it may be at greater cost. This is why a broker’s assistance is important—to help you find out which of your doctors are in what networks and then pick a plan based on your needs. Purchasing coverage is only one step in the process—brokers will be there when claims questions arise.

1. **How can people work around the unreliable HealthCare.gov?**

Individuals and families should speak to an experienced, licensed health insurance agent in their area. These agents can essentially stand in line for you if you have trouble accessing information on the website. And once your policy has been approved, an agent can work with the insurance carrier on your behalf to ensure that your plan is properly administered. A licensed agent is approved by their state department of insurance, and your personal and financial information is protected by the ethical code of this highly regulated industry. An agent who is registered to sell on the exchange can also show you your options on qualified plans outside of the exchange. Unless you receive a substantial subsidy, your best option might not be on the exchange. You can find a highly trained agent in your area by going to [www.Agent-Finder.org](http://www.Agent-Finder.org).

**Employer Issues**

1. **What is the latest news on group health insurance?**

HHS recently announces that the launch of the federally facilitated online SHOP exchange will be delayed for an entire year. Instead, they are encouraging business owners to use licensed agents to enroll in plans to be eligible for the 2014 tax credit. States operating their own SHOP exchange will launched as planned.

1. **What do businesses need to know about upcoming health reform issues?**

Businesses need to start preparing now, if they haven’t already. Even smaller companies will have to deal with significant compliance issues, including new reporting requirements, notice requirements for all employees, new ways to count employees, a new definition of part-time workers, among others. There will also be changes to how employer-sponsored coverage may be priced, new minimum coverage requirements, new limitations on out-of-pocket costs and more. Furthermore, an employer can’t rely on the old definitions of large and small employer when it comes to compliance with the new law. A reputable and licensed health insurance agent can provide any sized-employer with needed compliance advice and assistance.

1. **How is healthcare as an employee benefit changing?**

The new health reform law has made all employers really consider the health coverage they are offering to employees. Employers are looking to manage costs now more than ever before and are considering new and innovative health coverage options like worksite clinics. Employers are looking to wellness programs to both help their employees achieve healthier lifestyles and better quality of life and also improve workplace productivity and control medical care costs. From the perspective of health insurance agents and brokers, we anticipate that even within the employee benefit sphere, health coverage will become much more personalized in the future as individual employees will need more personalized guidance due to the marketplace changes the implantation of health reform law will present.

1. **How can businesses or individuals help control insurance costs?**

Getting a better handle on health insurance costs can be a very company-specific proposition. Employers need to evaluate what types of benefits their employees truly are using and what type of plan and cost-control options fit their specific workforce and corporate priorities. Agents and brokers are ideally suited to help employers find the plan options that best meet their specific needs**.**

1. **What is happening in regards to corporate preventative health or wellness programs?**

More and more businesses, large and small, are looking towards wellness and preventive health programs as a means of both containing costs and also providing a valuable benefit for employees. The new health reform law will allow employers more flexibility in wellness program design beginning in 2014, which will hopefully allow even more employers to take advantage of wellness initiatives and pass greater savings on to participating employees and their families.

1. **What are the concerns?**

Many employers have already begun to look at ways to work around this penalty, including job-sharing and significantly reducing work hours, which means more individuals and families will be forced into the exchange. It is critical that a fair mechanism be made available to all employers that will allow them to make voluntary and reasonable accommodations for specific affected employees in order to keep these individuals as part of the employer-sponsored plan without penalty.

**New Regulations and Pending Legislation**

1. **What do the proposed CMS cuts to Medicare mean for seniors?**

In early January, CMS proposed changes to the Medicare Part D prescription drug program. We are deeply concerned that the proposed rule is inconsistent with the spirit and purpose of Medicare Part D, represents unnecessary changes to programs that are already extraordinarily effective in containing costs and, most importantly, will severely impede beneficiaries' access to affordable health plans and medicines.

1. **What is happening with the employer shared responsibility requirements?**

The U.S. Treasury Department released on February 10 the final rules on compliance with the employer shared responsibility requirements under the health-reform law, often referred to as the law’s employer-mandate provisions. While NAHU generally opposes the employer mandate, the leniency and flexibility the Treasury ruling offers for employers will help American businesses comply with the law causing less harm to their financial stability and employee job security. We are very pleased with the ongoing dialogue the treasury department has maintained with both the employer community and the agent community and that the final rules reflect positive changes based on comments and discussions.

1. **Why shouldn’t Congress repeal “The Three Rs”?**

As Congress considers Senate Bill S. 1726 and House Bills H.R. 3541 and H.R. 3812, the American people need to be aware of the long-term impact of repealing the health reform law’s risk corridor provisions and the transitional reinsurance program. The repeal of the health reform law’s risk-adjustment mechanisms—often referred to as “The Three Rs”—would have a direct negative impact on 2015 insurance rates and lead to fewer healthcare options. This is a long-standing mechanism used to stabilize the insurance market, and taxpayers do not bare the financial burden or the risk corridor program because it is funded by insurance carriers through a plan-to-plan transfer with the government holding and redistributing funds, only if needed.

1. **What is Medical Loss Ratio?**

Current Medical Loss Ratio (MLR) requirements, which unfairly lump independent broker compensation in with health plan profits even though they are separate business entities, are significantly and negatively impacting access to professional independent health insurance agents. Many agents are seeing a net reduction of business incomes of 30-50%. This means fewer brokers staying in business and reduced client services to clients at a time when purchasers have the most need for help. H.R. 2328 is a House bipartisan bill that would remove agent/broker compensation from the MLR requirement in the individual and small group markets, and S. 650 is the Senate version of the bipartisan bill.