

CALIFORNIA BROKER

VOLUME 38, NUMBER 6

SERVING CALIFORNIA'S LIFE/HEALTH PROFESSIONALS FINANCIAL PLANNERS

MARCH 2020

THE FUTURE OF INSURANCE Virtual Healthcare

PLUS:

- Medicare Insider
- Reference Based Pricing
- Legislative News
- ...and more!



brand new day

HEALTHCARE YOU CAN FEEL GOOD ABOUT

A NEW WAY TO ENROLL YEAR-ROUND



Annual Enrollment Period (AEP) might be over, but your sales can continue to grow.

With **Brand New Day** you have multiple ways to enroll year-round through our Chronic Conditions Special Needs Plans (CSNP) and Dual Special Needs Plan (DSNP).

Our Special Needs Plans are designed to provide personalized guidance and resources to **help members get the right care and information**, based on their specific condition or needs.

We provide the extra benefits members want at prices they can afford.

CALL BROKER SUPPORT AT **1-866-255-4795 x2018**
MONDAY - FRIDAY, 8 AM - 5 PM OR VISIT OUR WEBSITE TO GET STARTED
BNDHMO.COM/BROKERS



CALIFORNIA DIFFER³NT



At CHOICE Administrators, we believe health care decisions should be made by employees and their families. We're also advocates for making employee benefits easy and affordable for your clients. That's why we offer a unique approach to small group health insurance that includes 8 premier plan options in a single package – for a cost that fits within budget.

CHOICE Administrators. A California Different way to do health care.



CaliforniaChoice[®]
Your Health. Your Choice.[®]



ChoiceBuilder[®]

Quote Different

CaliforniaChoice 800.542.4218 calchoice.com | ChoiceBuilder 866.412.9254 choicebuilder.com

THE TECHNOLOGY ISSUE



8 MEDICARE INSIDER

Medicare Surcharges, IRMAA and Retirement Planning

By Ron Mastrogianni

We're focusing on Medicare surcharges – and you should too!

11 AGENT'S VOICE

LAAHU's Annual Sales Symposium

By Peter Seibold

Get the lowdown on LAAHU's next big event April 22 at the Skirball!

12 LEGISLATIVE NEWS

Newsom's Proposed Budget Includes Medicare for All – What Do Agents Need to Know?

By Yolanda Webb

14 GUEST EDITORIAL

Analyzing the California Healthcare Landscape Cal Brokers can help their clients recognize real savings with reference-based pricing

By Steve Kelly

For any brokers looking to increase their book of business, it starts by introducing employers to different healthcare models. One alternative is a self-insured model called reference-based pricing (RBP).

16 COMPLEXITIES IN THE HEALTHCARE SYSTEM CREATE OPPORTUNITIES FOR BROKERS

Take a look at clinical advocacy programs

By Angela Barrie

After what she thought was a routine mammogram, Wanda Jones (pseudonym) got the call women dread. She had a spot on her right breast, and it was cancer.

20 POWERFUL PRESENTATIONS

It's just as easy to make good slides as it is to make bad ones

By Alan Katz

Bad presentation skills — including inexperienced slides — can doom what could be a great thing. Put your best self forward with these tips for great presentations.

22 TELEHEALTH

5 Ways Virtual Care Will Improve Healthcare Delivery in 2020

By Dan Trencher

Have you heard about the rise of the virtualist? It's just one thing you need to know about the growing field of telehealth.



COVERED CALIFORNIA
SMALL BUSINESS

A PARTNERSHIP THAT PAYS

Bonus Program - Coverage Effective:
February 1, 2020 - June 1, 2020

Earn even more for offering
your clients California's most
comprehensive access to doctors
and hospitals offering:



Full Network PPOs*

- Blue Shield
- Health Net



HMO offerings from*

- Blue Shield
- Kaiser Permanente
- Sharp Health Plan



EPO offerings from*

- Oscar



Single bill



No carrier participation
requirements within
program

Earn extra when you sell new small groups

Group Size (Enrolled Employees)	Incentive Earned
51 - 100	\$ 8,000
26 - 50	\$ 4,000
16 - 25	\$ 2,000
6 - 15	\$ 1,000

Contact your local Covered California for Small Business sales representative to learn why we're growing and how we can help build your business! An increasing number of agents and their clients are glad they did.

CoveredCA.com/ForSmallBusiness
844.332.8384

Some Key Rules:

- Applies to new Covered California for Small Business (CCSB) groups with initial effective dates of 2/1/20, 3/1/20, 4/1/20, 5/1/20, 6/1/20.
- Subscriber count (i.e. enrolled employee count) is determined at time of initial enrollment as counted in CCSB systems and is based on medical subscribers only. No retroactive additions will be eligible for incentive payment. Dependents of enrolled employees are not counted.
- Groups must satisfy standard CCSB binder payment requirements for enrolled employees to count towards incentive program payments.
- Business written through partnering General Agencies qualifies.
- CCSB intends to issue incentive payments 90 days following the effective month of a qualifying group. CCSB may modify its payment schedule at any time.

For a complete list of the program rules go to: rebrand.ly/Incentive2020

CALIFORNIA BROKER

MARCH 2020

PUBLISHER

Ric Madden
publisher@calbrokermag.com

ASSOCIATE PUBLISHER

Naama O. Pozniak
naama@calbrokermag.com

EDITOR

Victoria Alexander
editor@calbrokermag.com

ART DIRECTOR

Michael Vannatter
mike@calbrokermag.com

VP MARKETING

Devon Hunter
devon@calbrokermag.com

ACCOUNT EXECUTIVE

Gregory Allen Clauss
gregory@calbrokermag.com

ASSOCIATE EDITOR/MARKETING

Linda Lalande
linda@calbrokermag.com

ASSOCIATE EDITOR

Thora Madden
thora@calbrokermag.com

CIRCULATION

calbrokermag@calbrokermag.com

BUSINESS MANAGER

Lexena Kool
lex@calbrokermag.com

LEGAL EDITOR

Paul Glad

EDITORIAL AND PRODUCTION:

McGee Publishers, Inc.
3727 W. Magnolia Blvd., #828
Burbank, CA 91505
Phone No.: 818-848-2957
calbrokermag@calbrokermag.com.

Subscriptions and advertising rates, U.S. one year: \$42. Send change of address notification at least 20 days prior to effective date; include old/new address to: McGee Publishers, 3727 W. Magnolia Blvd., #828, Burbank, CA 91505. To subscribe online: calbrokermag.com or call (800) 675-7563.

California Broker (ISSN #0883-6159) is published monthly. Periodicals Postage Rates Paid at Burbank, CA and additional entry offices (USPS #744-450). POSTMASTER: Send address changes to California Broker, 3727 W. Magnolia Blvd., #828, Burbank, CA 91505.

©2020 by McGee Publishers, Inc. All rights reserved. No part of this publication should be reproduced without consent of the publisher.

No responsibility will be assumed for unsolicited editorial contributions. Manuscripts or other material to be returned should be accompanied by a self-addressed stamped envelope adequate to return the material. The publishers of this magazine do not assume responsibility for statements made by their advertisers or contributors.

Printed and mailed by Southwest Offset Printing, Gardena, CA.

MORE CONTENTS...



24 TELEHEALTH

Telemedicine Brings Back House Calls

By Don Van Scyoc

Telemedicine makes proper medical care possible anywhere your clients venture.

30 INSURTECH

Intelligent CRM can take your business to the next level

By Adam Edmonds

Every business and industry has different needs and, in the age of the customer, you need a customer relationship manager (CRM) that is tailored to those needs in order to deliver exceptional customer service

IN EVERY ISSUE

News Etc.....10

MEDICARE INSIDER.....8

Classified Advertising.....46

Ad Index.....46

32 INSURTECH

Expense Tech Is Critical For Financial Advisors

By James Thomas

It may seem like a small piece of tech but it can add up for any insurance pro: automated expense management tech is a must.

36 SURVEY

General Agency: View from the Top
Compiled by Thora Madden

40 INSURTECH

Could Voice Technology & Analytics Provide True Value in the Group Insurance Ecosystem?

By Garrett Viggers

Voice technology is an emerging component to many platforms attempting to break out in the insurtech industry. Now find out what's happening now and what's likely to happen in the future.



KEY PERSON DI

Key person disability benefits allow for funds that may be used however the company sees fit such as to scout, hire and train a replacement employee, or simply provide much needed capital to a business in transition.

Disability • Life • Medical • Contingency



PETERSEN[®]

INTERNATIONAL UNDERWRITERS

(800) 345-8816 ♦ www.piu.org ♦ piu@piu.org

MEDICARE NEWS

Medicare Surcharges, IRMAA and Retirement Planning

By RON MASTROGIOVANNI

Over the last decade ensuring healthcare needs will be met in retirement has become one of the top priorities for clients of financial professionals.

This reflects growing awareness that health-related costs – Medicare, dental, supplemental insurance premiums and out-of-pocket costs – will be among the most significant expenses impacting retirement budgets.

Our data shows that a healthy 65-year-old couple retiring this year and living to actuarially projected longevity will need to cover a projected \$419,262 (future value) for lifetime Medicare, supplemental and dental premiums. When out-of-pocket costs are included, their total lifetime healthcare costs rise to \$606,337.

Lifetime costs are one way to look at these expenses. Another is to look at them on an annual basis. Driven by a projected inflation rate of 4.9%, annual costs experienced between age 65 and age 85 will more than triple.

Younger Americans will feel the extra burden of compounding healthcare inflation. For a healthy 45-year-old couple retiring in 20 years, annual costs are notably higher: over \$1.1 million in premiums and over \$1.5 million in total lifetime healthcare costs when all out-of-pocket costs are added in (future value).

However we look at healthcare, it is a significant retirement expense. And, these projected costs do not reflect Medicare surcharges — our focus here.

History of IRMAA Surcharges

In 2003, President George W. Bush signed into law the Medicare Prescription Drug, Improvement, and Modernization Act. This established both Medicare Part D (an optional entitlement program for prescription drug coverage in retirement) and health savings accounts (HSAs). It also replaced Medicare + Choice with Medicare Advantage under Part C.

The Act introduced means testing of Medicare premiums with the introduction of IRMAA-based (income-related monthly adjusted amount) income brackets. The goal was for higher earning Medicare recipients to pay surcharges to increase Medicare revenue and extend the program's solvency.

It's important to note that Medicare Part B surcharges are deducted directly from Social Security benefits and surcharges are added to the cost of Part D premiums.

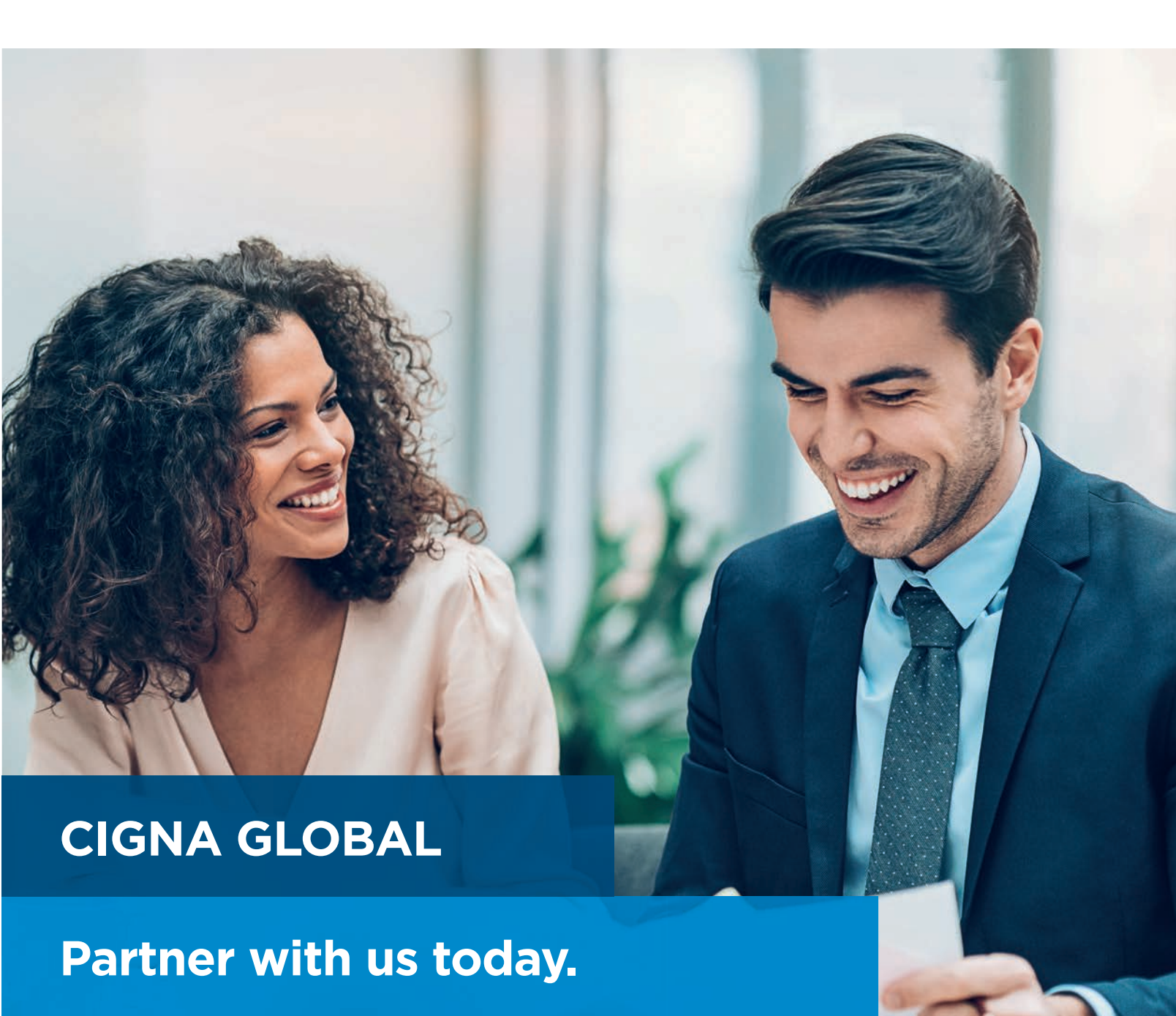
In 2007, five IRMAA income brackets went into effect based on marital status and annual modified adjusted gross income (MAGI). In the Medicare Access and CHIP Reauthorization Act of 2015, brackets 3, 4, and 5 were lowered, and bracket 6 was added.

Medicare surcharges & financial professional clients

For clients working with financial professionals and advisors, at least 50% of healthcare cost projection illustrations conducted using our planning tools find clients will be subject to Medicare surcharges. Since advised clients tend to have

CONTINUED ON PAGE 44

IRMAA 2020 Brackets Table			
	MAGI (Single)	MAGI (Married)	% Surcharge
Bracket 1	<\$87,000	<\$174,000	0%
Bracket 2	\$87,001-\$109,000	\$174,001-\$218,000	35%
Bracket 3	\$109,001-\$136,000	\$218,001-\$272,000	89%
Bracket 4	\$135,001-\$163,000	\$272,001-\$326,000	143%
Bracket 5	\$163,000-\$500,000	\$326,000-\$750,000	196%
Bracket 6	\$500,001+	\$750,000+	214%



CIGNA GLOBAL

Partner with us today.

Individual worldwide coverage tailored to fit any customer needs.

Learn more about Cigna Global and become our partner today!



James Elbaum
Business Development Manager
James.Elbaum@cigna.com
Phone: 480.622.8625

Visit us on:
www.cignaglobal.com/brokers

Together, all the way.SM



"Cigna" and the "Tree of Life" logo are registered service marks of Cigna Intellectual Property, Inc., licensed for use by Cigna Corporation and its operating subsidiaries. All products and services are provided by or through such operating subsidiaries, and not by Cigna Corporation. Such operating subsidiaries include Cigna Global Insurance Company Limited, Cigna Life Insurance Company of Europe S.A.-N.V., Cigna Europe Insurance Company S.A.-N.V. and Cigna Worldwide General Insurance Company Limited. ©2020 Cigna

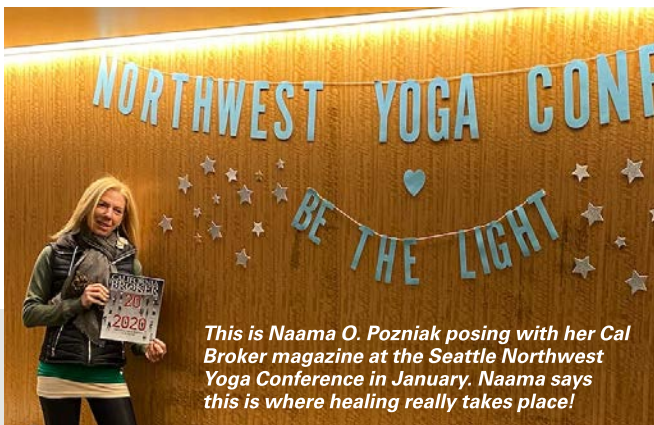
CAHU Gears Up for Women's Leadership Summit



In the February issue of California Broker magazine, Cerina Jensen told all about how the CAHU Women's Leadership Summit was born. But here's what you need to know right now: the second WLS is happening this month! Join CAHU March 25-27 in Las Vegas! More info at CAHU.org.

FIGO Stakes Claim As Largest Indie U.S. Pet Insurance Provider

Figo Pet Insurance announced it has received a \$5 million investment for a 4% equity stake from underwriting partner Independence American Insurance Company (IAIC), a member of the IHC Group. This places Figo's valuation at \$125 million. The company, which was founded in 2015, is staking claim as the largest independent pet insurance provider in the U.S. Figo was also named the Top Insurtech Leader by A.M. Best's Review. The North American Pet Health Association (NAPHIA) 2019 State of the Industry report says the U.S. pet insurance market is valued at \$1.3B, representing a one-year growth of 24%. A staggering 21.4% market growth rate since 2014, combined with a market penetration of only approximately 2%, paints a picture of continued robust market growth. Looks like it's time to sell some pet insurance, folks!



This is Naama O. Pozniak posing with her Cal Broker magazine at the Seattle Northwest Yoga Conference in January. Naama says this is where healing really takes place!

new Cal Broker news feature. Send us a photo of yourself somewhere in the world with your California Broker print magazine and you could be featured in an upcoming Cal Broker GPS. Send your high-res photo and caption to: editor@calbrokermag.com. Please note GPS in the subject line.

LIMRA Study: Despite Increased Marketing, Consumers' of Life Insurance Brand Awareness Remains Low

A new LIMRA study found 1 in 4 adult Americans can't name a single company that sells life insurance and a majority (56%) are unable to name three life insurance companies. As bad as this sounds for life carriers, it's actually an improvement from a previous such study in 2014. One of the biggest challenges for life insurers is that people generally buy life insurance only once or twice during their lifetime, and according to LIMRA sales data, more than a quarter of policies sold are by independent agents and advisors. According to LIMRA, it may be that consumers are more aware of who sold them a policy than the company that underwrites it.

Over the past 5 years, life insurers have been increasing their advertising and marketing budgets to increase consumer awareness. According to a 2017 Aite Group report, the life insurance industry was projected to spend \$5.6 billion in advertising and marketing in 2020, up 49% from \$3.7 billion in 2016. According to the study, insurers were investing more dollars in social media, internet marketing, and radio and television.

Cyber Insurance Hot Due to New Cyber Security Law

The California Consumer Privacy Act took effect Jan. 1. and it means that residents of the state now have a lot more clout with companies who broker in using their personal data. In fact, state residents can seek up to \$750 per consumer, per data security incident under the law. Some say we're about to see an absolute barrage of litigation. Analysts say cyber insurance policies will be popular.

Cal Broker GPS



Associate publisher Naama O. Pozniak is kicking off a

LAAHU to Host Annual Sales Symposium-April 22 at Skirball

AdapTech: It's time to step up your game!

BY PETER SEIBOLD

LAAHU's Annual Sales Symposium is the largest in the state. We attract well over 500 attendees each year and 2020 promises to be a sellout. This is a fantastic opportunity for all agents to stay in the know. Worth noting: the early bird special rate of \$99.00 is available until March 15 (register at LAAHU.org).

The April 22 event will have something of value for everyone, with eight continuing education (CE) classes covering a wide variety of topics. The first two are early bird CE's beginning at 7:30 a.m. My recommendation is to take advantage of our early bird CEs and avoid traffic. I certainly will!

The remainder of the agenda will

be jam-packed with powerful speakers, including John Nelson from Warner Pacific and Alan Katz from NextAgency. They will discuss today's current political environment and the potential impact it will have on our industry. Naama O. Pozniak,

CEO of Rightplan (and Cal Broker's associate publisher), will lead a morning deep breathing exercise, and participants will laugh with comedian Lou Dinos. The afternoon keynote speaker will be none other than Parker Conrad, who many of you see as a controversial figure in our industry. Conrad is formerly with Zenefits and now with Rippling.

We look forward to seeing all of

our current members, members of other chapters, members in the making, and all of our industry colleagues and partners. Lastly, for those interested in sponsoring our soon-to-be sold-out event, please take a look at sponsorship packages listed at LAAHU.org. See you in April!

Hop on your LAAHU registration now! Early bird special rate of \$99 before March 15.

Registration and info at LAAHU.org.



LAAHU President Elect Peter Seibold is senior sales executive for Kaiser Permanente Small Group.



ConsumerMedical Announces Addition of 43 New Clients

ConsumerMedical, a clinical advocacy, decision support and expert second opinion company, announced at a company-wide meeting the addition of 43 new clients and the expansion of programs with some 25 percent of new annual recurring revenue from its current customer base for 2020. The company says the milestone marks the best growth year in the 24-year history of ConsumerMedical. Patient advocacy has become a \$3.6 billion (and growing) industry. New clients for ConsumerMedical include Mattress Firm, Teacher's Health Trust and Farm Credit Foundation. In total the new clients, as well as growth from existing customers, will bring on more than 793,000 covered lives, for a total of more than 4 million-plus lives covered in 2020. Additionally, the company reported a customer retention rate of 95 percent.

New NAIC Survey Shows Most Life Insurance Beneficiaries Left Unprepared

When it comes to receiving life insurance benefits, most beneficiaries are unprepared, with millennials and Gen Z among the least ready, according to a new survey by the National Association of Insurance Commissioners. Every year, millions of dollars in life insurance benefits go unclaimed because the beneficiaries are unaware of the coverage or don't have basic information about the policies. NAIC's survey found that half of all those surveyed said they are listed as a beneficiary on a friend or relative's life insurance policy. But some people don't know about the policies at all. Overall 21% of Gen Zs and 20% of millennials say they don't know whether or not they're named as a beneficiary. Good info to pass along: NAIC has developed a Life Insurance Policy Locator tool which has helped consumers claim more than \$765 million in benefits since its introduction in 2016. It's free to use, available online and gives everyone in the United States access to insurer databases, eliminating the need to contact multiple companies or multiple agents to find a policy, or identify whether or not there is a policy. The tool conducts a search of all participating life insurance and annuity companies regardless of the prior state of residency of the deceased. Consumers can begin searches with little information, such as a certified death certificate. More info at naic.org.

Newsom's Proposed Budget Includes Medicare for All—What do agents need to know?

BY YOLANDA WEBB

Recently Governor Gavin Newsom introduced California's 2020-2021 proposed budget and a central issue is the inclusion of Medicare for All in California with more than \$80 million in Medi-Cal funding allocated to expand the program to an estimated 27,000 undocumented seniors starting 2021. There is a growing consensus that a one-size-fits-all health insurance system would threaten American's access to affordable, quality health care. As the debate over the future of health care continues, the question now is: What does this mean for our seniors and what can we do to ensure no one loses their benefits?

FTI Consulting and the Partnership for America's Health Care Future released a report this month, Medicare for All and the Future of America's Health Care Workforce, which determined that governmental health insurance systems known as Medicare for All, "could have a significant negative impact on the adequacy of the country's health care workforce, access to care, and, ultimately, patient outcomes." (<https://americashealthcarefuture.org/wp-content/uploads/2020/01/FTI-Medicare-for-All-and-the-Future-of-Americas-Workforce.pdf>)

More than 1.2 million healthcare jobs are at risk under Medicare for All, according to this FTI Consulting report. They found that Medicare for All could have a devastating effect on American healthcare workforce, which could reduce the number of physicians by 44,693 by 2050 relative to current projections. The study found that primary care physicians could be particularly affected, as Medicare for All could reduce the number of those healthcare

workers by 10,286 within the next 30 years. Medicare for All would also reportedly decrease the number of U.S. physicians by 5.4 percent, which would particularly impact rural communities.

FTI Consulting and the Partnership predict that the nursing workforce will reach shortage levels by 2030 and may reduce the number of nurses and other workers by 1.2 million by 2050. Additionally, Medicare for All's reduced Medicare reimbursement rates would also result in 90 percent of hospitals running consistent deficits, which would put hospitals at risk.

The impact of Medicare for All on America's health care workforce would undermine the policy's central objective: expanding access to care. With many areas of the country already on the brink of a crisis when it comes to provider shortages, policymakers must consider the impact of Medicare for All and related policies on the ability of these communities to attract and retain the next generation of health professionals.

Lauren Crawford Shaver, the Partnership's Executive Director, said in a statement on January 14: "This new issue brief adds to the mounting evidence that Medicare for All would threaten Americans' access to quality health care. Instead of forcing Americans into a one-size-fits-all government health insurance system controlled by politicians, our elected officials should instead focus on building on what's working and fixing what isn't."

Lastly, the report concluded, "The effects of reduced reimbursements under Medicare for All would directly impact not only health care workers and their patients, but the health of communities across the country as

they contend with delayed access to care, decreased quality and widening health disparities." This is the kind of information that we, the agents, need to know in order to protect our seniors as well as all citizens who will be affected by this way of thinking.

So, what does this mean to the Medicare agent? We must work together and become proactive. We can start by becoming certified in Single Payer in order to be better equipped to relate to our senior clients the pro's and con's that may happen with their benefits. Staying informed and up to date with the current legislative issues that impact all of us in California and across the country is another way to be proactive.

Writing to our legislators and voicing your opinions about Single-Payer and Medicare-For-All is a powerful way for government to hear us. Did you know that NAHU's Operation Shout (https://nahu.quorum.us/action_center/) and CAHU's VoterVoice (<https://www.cahu.org/votervoice>) make it easy to send a message to your member of Congress about important health care issues that we are facing today? These online resources are a simple and effective way of communicating and advocating to our government officials for our clients.

Let's help government hear us, actively participate to affect change and be ready for what is next in the ongoing challenge to make a difference on behalf of health care consumers.

Yolanda Webb is the California Association of Health Underwriters Corporate Affairs Director.

**Sean Moran, a congressional reporter, also contributed to this article.*

INDUSTRY EVENTS

The 29th Annual IEAHU Symposium

March 10, Riverside Convention Center

Email Inland Empire Association of Health Underwriters for more info: ieahu.administration@gmail.com

SIIA Self-Insured Health Plan Executive Forum

March 16-18, Charleston, SC. More info at siia.org

CAHU Women's Leadership Conference

March 25-27, JW Marriott Resort & Spa, Las Vegas

More info at cahu.org.

SIIA Mentor Connection Forum (For Younger SIIA Members)

April 6-7

The Notary Hotel, Autograph Collection

Philadelphia, PA

More info at siia.org

SIIA Washington, DC Fly-In (Meet Your Members of Congress)

April 21-22, Washington, DC

More info at siia.org

LAAHU Annual Symposium

April 22, Skirball Center, Los Angeles. More info at laahu.org

Golden Gate Association of Health Underwriters Sale Symposium

April 23

Crowne Plaza Concord/Walnut Creek, info and registration at GGAHU.org

The 16th Annual BenefitsPRO Broker Expo

May 18-20 Hilton Austin in Austin, TX. More info at benefitspro.com

CALIFORNIA BROKER

Contact me for our
special 2020
ad rates!

Devon Hunter, VP of Marketing
devon@calbrokermag.com



Allied Benefit Suite

Premier employee benefits for small employer groups.

The Allied Benefit Suite is a market-leading ancillary benefits solution designed specifically for groups of size 2 to 100. ABS gives access to the full set of top-tier employee benefits.

Dental • Vision • Life • Disability • Personal Protection

Add a great life, disability, vision and /or protection plan to any of Delta Dental's Small Business Program plans administered by Allied Administrators!

One invoice, one administrator, one stop for customer service.

Call us today at 877-472-2669 or visit us at AlliedAdministrators.com/abs

ANALYZING THE CALIFORNIA HEALTHCARE LANDSCAPE

By STEVE KELLY

Brokers can help their clients recognize real savings with reference-based pricing

The California health insurance market hasn't changed much over the past 25 years for employers. During this period, the big insurance carriers have dominated the state. Further consolidation over the last 10 to 15 years has cemented six major players – Blue Shield, United, Cigna, Aetna, Anthem and Kaiser Permanente.

And each year, the process for employers purchasing healthcare plans leads to the same results: Healthcare that's expensive, lacks transparency, and for the most part, leaves employers in the dark about how their plans run and what they can expect to pay. Worst of all, employers that want to keep an affordable plan in place often have to raise employee contributions or reduce benefits.

Yet, in spite of everything, organizations continue to operate the same way year after year. As a broker, you have the opportunity to help your clients save on healthcare costs while delivering competitive benefits. For any brokers looking to increase their book of business, it starts by introducing employers to different healthcare models.

One alternative is a self-insured model called reference-based pricing (RBP).

How RBP compares to traditional healthcare models

The simplest way to compare models is this: RBP uses a "bottom-up" approach, while traditional health plans use a "top-down" approach.

Let's take a traditional preferred provider organization (PPO) plan, for example. Big carriers claim their PPOs offer significant discounts – 50 to 60% off hospital chargemaster rates. This is a big number. It's also misleading.

The truth is, facility costs are already marked up – some as high as 600%. California is one of the highest marked-up states in the U.S. at approximately 451%.

A discount on a procedure that's already egregiously

marked up, isn't much of a discount at all.

Instead of going off chargemasters and touting huge discounts, RBP solutions use a reference point like the actual cost of care or Medicare reimbursement amounts as a benchmark for reimbursement then build in a fair margin – one that works for the employer, employee and health system. In other words, a bottom-up approach.

Back in the early 2000s, large carriers introduced high-deductible health plans (HDHPs) to supplement PPOs as a lower-cost option. There was just one problem: HDHPs save employers money largely by shifting costs to employees in the form of higher premiums and out-of-pocket expenses. A Los Angeles Times survey found that today more than four in 10 employees enrolled in an HDHP don't have enough savings to cover the deductible, in many instances causing them to forego needed medical care.

Though they're still in use, HDHPs are no longer viewed as a cost-cutting savior.

RBP, meanwhile, can lower healthcare costs, premiums and deductibles all together.

Just ask the California Public Employees' Retirement System (CalPERS), which adopted a reference-based pricing model in 2011. Under their plan, prices for common procedures, like knee and hip replacements, decreased by more than 20%. For cataract removal surgery, prices fell nearly 20%. And the cost of a colonoscopy plunged 28%.

The advantages of an RBP model

An RBP solution starts with price. Within the California marketplace, employers are going to save anywhere from 20-30% of their total healthcare costs with an RBP plan.

With these savings, organizations won't be forced to increase employee contributions or reduce benefits year after year. Instead, they can put them into other areas of the business or their company's benefits plan. We've seen instances



where, thanks to RBP, employers could increase contributions to their employees' 401(k), enhance dental plan benefits or add an employee assistance program (EAP).

Another benefit to the RBP model is that employers are no longer limited to a network. Their employees can go to any healthcare provider they choose.

But despite the advantages of RBP, there are hurdles in California standing in the way of widespread adoption.

Challenges of moving to RBP in California

Compared to fully insured employers, it's easier for companies already offering a self-insured plan to make the switch to RBP. In Northern California, where there's a large book of self-insured employers, that's no problem.

But overall, compared to the rest of the country, California has a lot more fully insured businesses, including 80% in Southern California. The big capitated HMO market in California drives that majority with competitive prices.

While this makes it more difficult to convert fully insured plans to RBP, the fact is, other parts of the country have shown that switching to self-insured moves the dial on savings. Sticking to the status quo in California might not be what's best for your clients.

How to differentiate by offering multiple models

The simple truth is employers are used to working with big-name insurance carriers. They're used to having a network. They're used to seeing that recognizable logo on their insurance cards. There's comfort in the familiar.

And yes, as with any change in business, there is a certain administrative lift and education curve that comes with shifting models. But if you told them they could save 20 to 30% on their healthcare costs, most employers would agree it's worth a closer look.

Especially when you reveal that it doesn't have to be an "either-or" scenario.

For instance, in California, Cigna has a Minimum Premium Plan, which is essentially a hybrid of a fully insured and self-insured plan. It looks and feels like a fully insured plan to employers, but it contains some self-insured components.

Increasingly, there is interest from employers in "standing up" an RBP plan next to a traditional option, like a PPO. In this scenario, benefit-eligible employees could choose which plan they want to subscribe to. This is just one creative way brokers are incorporating RBP into current healthcare offerings and exposing employers and employees alike to its benefits.

RBP takes savings to the next level

When an organization moves from a fully insured healthcare plan to a self-insured healthcare plan, either in part or in full, the message is loud and clear: It wants to take back control of its healthcare costs.

Unlike fully funded plans, self-insured plans give organizations improved access to data, better cost transparency, and useful insight into how their plan is running. For your clients who are already self-insured or thinking about making the switch, there's really no reason for them not to adopt RBP. Not when they have the chance to gain additional savings.

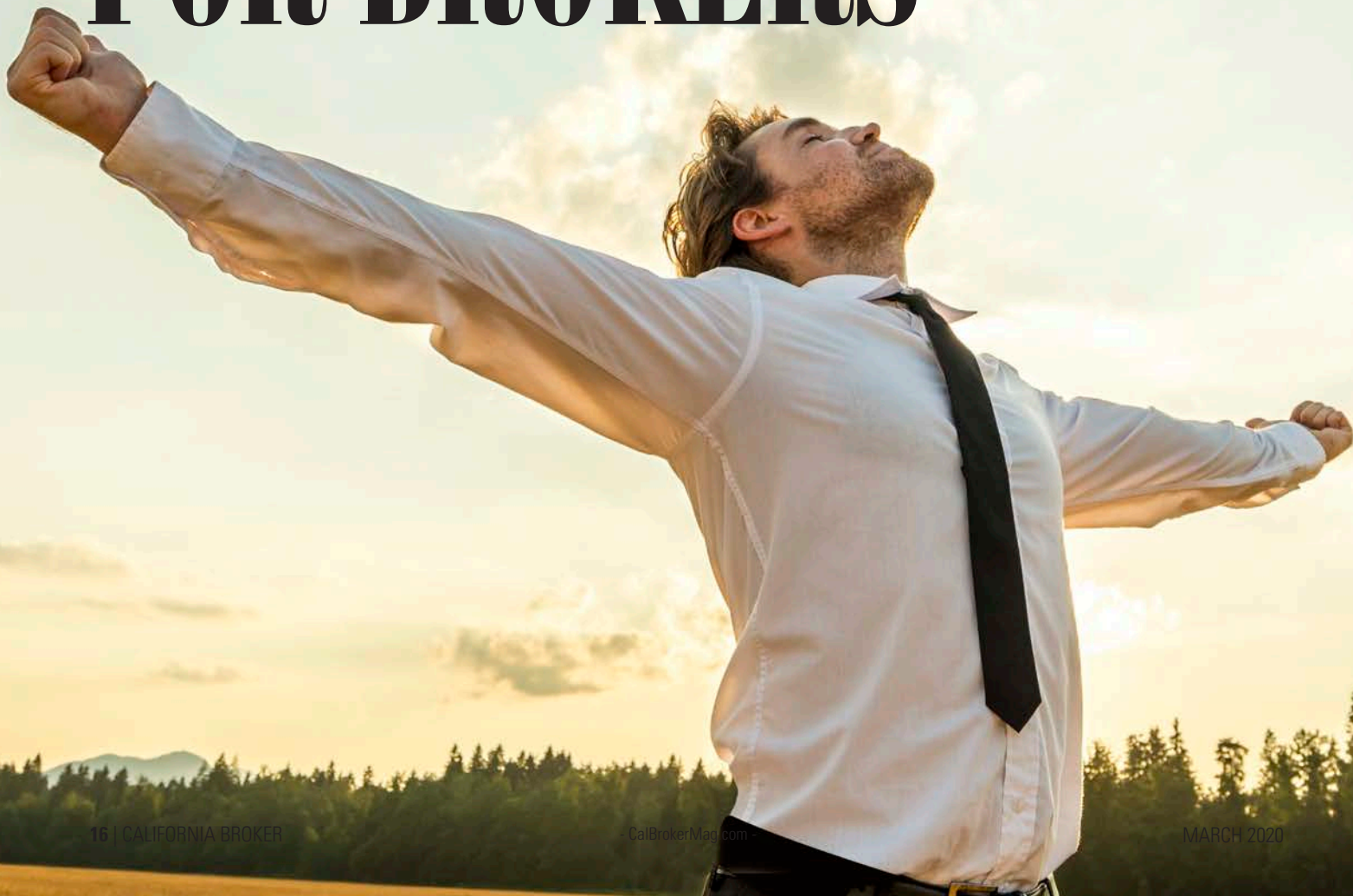
It might be easy for California businesses to stick to the status quo and continue renewing their traditional healthcare plans as they've always done. But by doing so, they're missing a tremendous opportunity to improve their bottom line while taking care of their employees.



Steve Kelly is the co-founder and CEO of ELAP Services, a leading healthcare solution for self-funded employers across the U.S. He is a recognized expert in the insurance, employee benefits and risk management industry, bringing more than three decades of experience solving his clients' complex healthcare challenges.

COMPLEXITIES IN THE HEALTHCARE SYSTEM CREATE OPPORTUNITIES FOR BROKERS

By ANGELA BARRIE



After what she thought was a routine mammogram, Wanda Jones (pseudonym) got the call women dread. She had a spot on her right breast, and it was cancer. She got the news while at work and immediately told a colleague and her manager. She and her colleagues spent the next several hours crying and trying to figure out what to do, from how to tell her family, to what this would mean for her job.

The following day, reassured her employer would support her, while at work, Wanda went online researching her diagnosis and treatment. Her health plan called and said they could get her in to see a cancer specialist, in four weeks. What was she to do before then? She didn't have an established relationship with a primary care provider. She didn't know whom to call, what to expect, or what to do. The confusion and lack of support led to considerable anxiety and, understandably, impacted her productivity at work.

Employers are demanding a better way

Unfortunately, Wanda's experience is all too familiar for employers and

employees in California. However, to better support workers facing chronic or serious conditions, increasingly, employers are turning to independent outside resources. Partnerships with clinical advocacy firms are of interest to both fully and self-insured populations. The primary goal of these programs is to help employees get optimal care, and the most from their benefits, by helping the member navigate their medical needs and the healthcare system.

Why? Primarily because healthcare today can be a complex, confusing and often daunting experience. It's estimated that less than half of employees fully understand their healthcare benefit. That lack of knowledge can result in reduced quality of care, lower adherence to therapy, and poor outcomes.

Here's where clinical advocacy partners, which provide services ranging from decision support to second opinions, can provide value. These programs allow brokers to bring useful value-added services to their customers and their eligible population. Additionally, clinical advocacy programs can help brokers provide innovative solutions to their book of business.

Programs offered typically include:

- *Medical Decision Support.* Usually initiated by a high-touch telephonic model, supported by an app, portal, or artificial intelligence (AI) app to guide eligible members for any medical condition, including Behavioral Health. Often can connect with specialists who may not be part of the existing network plan but who could provide immediate help.
- *Second Opinion Support.* In many instances, patients want a second opinion from a recognized independent authority (e.g., one not affiliated with their insurer) about a diagnosis or treatment options. Algorithms help match the member with high-performing specialists for their condition, in their network, within a geographic area.
- *Virtual guidance* to help alleviate time-consuming trips to provider/ease for employees and lessens geographic limitations. Most importantly, remote expert options remove geographic barriers to ensure the member receives the best advice from the specialist that is an expert with their condition.
- *Scheduling assistance* with the best providers. Due to limited capacity and member demands, the average wait time for specialists in California is

Take a look at clinical advocacy programs

As a broker, you can help employers access partners that will help them develop the reputation and positioning as a caring employer by giving employees the support needed to get the most from their healthcare benefits.

now 30+ days – but that often doesn't mean the patient sees the actual provider at that visit – just the office appointment. High-performing clinical advocacy firms can reduce the time it takes to get appointments with leading specialists in the network to days, alleviating stress, saving time.

- *Decision support* for elective surgeries like hip, knee, lower back, bariatric. These procedures are often made based on personal choice, not clinical recommendations and can be costly for employers. Clinical advice can help the employee make decisions that are best for them and their situations.

- *Engagement Strategies* to ensure employees are taking advantage of all benefits offered, such as onsite informational meetings, mailings, proactive calls and, increasingly, effective integration and referral from other employer health benefit providers.

What to look for in a partner for your employer clients

Brokers can help to distinguish themselves in the competitive benefits' marketplace and provide better service to employers by recognizing the growing need for assistance with care coordination and support for employees with chronic and complex illnesses.

There are a number of companies providing these services, especially in California. It's important to look for partners that provide the support needed. Key features to look for include:

- Experience and a proven track record providing services needed.
- Ability to fully integrate programs with health benefit partners and payers to ensure coordinated care.
- Technology to enhance the mem-

ber experience, ensure efficiency and provide the reporting and insights employers need to gauge the performance and value of the program. For example, access to providers via mobile phone, video consultations, record collection storage, and analysis of the impact of the program on care costs and outcomes.

- Excellent customer support, especially from the nurse allies who are often the key point of contact and care coordination for employees. Look for vendors who have satisfaction rates over 95 percent and a Net Promoter Score (NPS) of over 70.

What to expect

The true value of partners providing enhanced care coordination and employee support for medical needs must be measured in terms of employee satisfaction, outcomes and overall ROI. In terms of cost, employers with second opinion programs can save nearly \$20,000 per case. About 72% of second opinion programs for one program resulted in treatments recommended or changes in current therapies and more than 20% resulted in a changed or corrected diagnosis based on clinical review from leading physicians in the related specialty. This level of intense expert medical oversight leads to significantly improved outcomes, lower costs and employee satisfaction.

To provide the most value, plan sponsors need ready access to data on the performance of their medical support partners. They need to know about conditions treated, cost savings, comparative outcome improvements, satisfaction, wait times, etc. Look for partners that routinely pro-

vide these insights.

Additionally, in today's competitive employment market, employers are often looking for solutions and services that improve the overall employer brand. As a broker, you can help employers access partners that will help them develop the reputation and positioning as a caring employer by giving employees the support needed to get the most from their healthcare benefits.

Finding new ways to support employers

The nation's healthcare system is likely to continue to become even more complicated and confusing in the coming years, especially for those with chronic and complex illnesses. To ensure maximum value from existing benefits, employees need to fully understand what programs are available, how to access them, and have clinical concierge-level service – to help them navigate the system and get the support needed based on their care needs.

Brokers can help employers looking to provide their eligible population with the support needed by identifying partners with the experience and capabilities to meet the needs of the organization and its workers. Because of improved outcomes, the result is a win, win, win – for employers, employees and the brokerage team.

Angela Barrie is the vice president of employer solutions for Consumer Medical. She has more than 20 years of benefit consulting experience for large employers and has worked with many of the nation's top benefit consultants, including Willis Towers Watson, Aon, Accolade and Gallagher. Additional information is at www.consumermedical.com

hello, savings • choice • simplicity harmony

It's time for a health plan that hits all the right notes.

With UnitedHealthcare SignatureValue® Harmony, you can offer your employees lower premiums and the freedom to choose from **more than 9,200 providers and 60 primary hospitals in Los Angeles, Orange, San Bernardino, Riverside and San Diego counties.** And with our new dedicated service that helps members get their care and coverage questions answered in just one call — they may be happier, too.

UnitedHealthcare SignatureValue Harmony

Get a quote today at uhc.com/svharmony and find out how your clients can save up to 25%.*

*Based on a February 2019 comparison of other UnitedHealthcare plans within the Choice Simplified portfolio.

This policy has exclusions, limitations and terms under which the policy may be continued in force or discontinued.

For costs and complete details of the coverage, contact your broker or UnitedHealthcare sales representative.

Savings based on lower premiums for SignatureValue Harmony compared to other similar UnitedHealthcare plans as of 1/1/2019.

Insurance coverage provided by or through UnitedHealthcare Insurance Company or its affiliates. Health plan coverage provided by UHC of California DBA UnitedHealthcare of California or other affiliates. Administrative services provided by UnitedHealthcare Services, Inc., OptumRx, OptumHealth Care Solutions, Inc., or its affiliates. Behavioral health products are provided by U.S. Behavioral Health Plan, California (USBHPC).

UnitedHealthcare SignatureValue Harmony is available in Los Angeles, Orange, San Bernardino, Riverside and San Diego counties.

9258966.0 8/19 ©2019 United HealthCare Services, Inc. 19-12673-A



POWERFUL PRES

PART II



BY ALAN KATZ

BY ALAN KATZ

Like last month's article, this is for those of you who use slides when giving presentations. Good slides can enhance your talk. Bad ones can undermine it. For the sake of your audience, strive to have good ones. Enough said? Nope...

February's article focused on the content of your slides. This month is about design. Because you can have slides with the perfect message, but if your audience can't easily read that message, then little will be communicated.

As confessed last month. I don't pretend to be an expert on this subject. I simply have a lot of experience using and viewing slides and I've done some studying about them.

One of the most reassuring things I've learned is that you don't need to be a professional designer to create good looking slides. There are simple rules to making effective slides. A very thorough and useful resource on basic slide design is *The Non-Designer's Presentation Book* by Robin Williams (no, not that Robin Williams).

Here's some simple ways to make your slides look good that I've gleaned from Dr. Williams and others.

Fonts. Your audience should be

able to read your slides without squinting. Even from the back of the room. Sounds obvious, but this rule is the most frequently broken. By using fewer words per slide (see last month's article) you'll have the space to use a larger-sized font. I've found fonts of between 28 and 32 to be the most effective. Larger is good, too; smaller, not so much.

Which font you use also matters. Use something basic and easy to read at a distance. I recommend sans serif fonts. These are the ones without the doohickeys on each letter. Arial and Calibri are examples of sans serif fonts. Times Roman is a serif font. Not all fonts are created equal, however. Comic Sans is an example of a sans serif font that is tough to read and looks a bit silly. Avoid cursive and stick to something straightforward.

Contrast. Your audience is there to learn something. Or be entertained or motivated. They're not there to play *Where's Waldo*. Using text that blends into the background is unkind. Make sure your message stands out. Literally.

Using contrast is much easier if you avoid busy backgrounds. Pretty flow-ers or abstract art has their places,

just not on your slides. Stick to solid backgrounds. If you need to get fancy, add a subtle gradient.

Dark or Light? Contrast is important because it reduces the strain your audience has when reading your slides. Whether you use a dark or light background can make a big difference.

If you're printing out your slides, a light background is best. When your slides are projected on a screen, however, studies show a dark background with a light font is easier on the eyes. You can test this yourself. Create two identical slides. One with black letters on a white background; the other with white letters on a black background. Switch back and forth. You'll probably find it is easier to read the slide with the dark background.

Don't feel locked into black-and-white, however. Using color can add personality to your slides. Just remember to use a background dark enough to make the font color you choose pop. It's all about the contrast.

Avoid clutter. Your audience should be able to glance at your slide and immediately see your message. Don't make them hunt for it. As noted below, this may mean using more slides. It also means eliminating un-

PRESENTATIONS

necessary elements. Like your logo.

Your audience heard your introduction. They know who you work for. They don't need to see your logo on every slide. If they do, they'll begin to ignore it when they're not irritated by it.

Instead, limit your logo to the title and the end slide. Your audience sees the title slide while you're being introduced. They'll see the end slide (as discussed last month) while you're answering questions and leaving the stage.

Another way to avoid clutter: eliminate slide titles. Your audience is listening to you. They can hear what you're talking about. Like a ubiquitous logo, the title on a slide can get in the way.

I confess I rarely follow this rule. I recognize it's worth, though. Slides without titles look "cleaner." But habits, including bad ones, die hard. I do deemphasize the slide title, however, by using a smaller font with less contrast than the font I use for the body of the slide text.

Slides are free. It's better to use too many slides than too few. If you have a long list, break them out across multiple slides. I once saw a slide

with 27 bullet points. No one could read them (few wanted to). I've found three-to-five points per slide is about right. This enables you to keep the font at the right size so it's legible in the back of the room. And it's easier for the audience to grasp a list of three than of, say, 27. And did I mention slides are free?

Alignment. If you have multiple images or text boxes on one slide, align them. All this means is that visual elements (including boxes of text) line-up in some way. For example, if you have a picture and alongside it some text, don't center the text alongside the picture. Instead, pretend there's a line extending from the bottom of the picture and have the text rest there. Or if you have two pictures, hang them along a shared imaginary line. (Dr. Williams' book does an especially good job of showing how to align slide elements).

Alignment gives your slide a clean, strong look. This makes them easier to quickly read or understand. It also subtly demonstrates that you've paid attention to how your slides look. That's because you have. And if you care about how your slides look, your audience will, too.

It's about you

Remember, no one attends a meeting or webinar to read or to applaud your design skills. They come to hear you and your message. Make sure the focus stays on you. That means using slides that support your message and avoiding those that get in its way.

I've offered some guidelines for doing that. None are hard and fast rules (except for not reading your slides verbatim as you present). Use the tips as you like.

I hope I conveyed that it's just as easy to create good slides as bad ones. It's just kinder to your audience – and more effective for you – to make good ones.



Alan Katz, a Cal Broker editorial advisor, is a co-founder of Take 44, Inc., the company behind NextAgency, an agency management system for life and health agencies. He is a past president of NAHU, was a senior vice president at WellPoint and general manager of the general agency Centerstone. Katz also served as chief of staff to California's Lieutenant Governor and on the Santa Monica City Council. You can follow him on Twitter (@AlanSKatz) and contact him at Alan@Take44.com.

5 WAYS VIRTUAL CARE WILL IMPROVE HEALTHCARE DELIVERY IN 2020

BY DAN TRENCHER

As the state legislature-mandated Council on Health Care Delivery Systems continues to explore the best way to structure, implement and pay for universal access to healthcare for all California residents, California brokers, plan sponsors and benefits administrators will no doubt see an expanding role for virtual care. It is one aspect of healthcare delivery that brokers and others will increasingly rely on and will likely be a crucial element of whatever recommendations are made.

Below are five virtual care predictions brokers will likely see play out in 2020 and beyond:

1. Virtual care becomes a top priority for large employers, health systems, and public plans.

With mounting pressures to improve access while controlling costs, the importance of virtual care is increasing for nearly all U.S. health plans, and the majority are offering or considering services. Building off the virtual care programs almost all large employers currently offer, 51% of large employers say that expanding virtual care options they offer to their employees is a top priority in 2020. Sixty-four percent of U.S. hospitals and health systems now offer consumer virtual care programs, and an additional 24% plan to provide consumer telemedicine by year's end. As for public plans, the Center for Medicare and Medicaid Services opened the door for innovative care models with a landmark regulatory shift for the more than 3.4 million California residents enrolled in Medicare Advantage Plus plans.

2. Consumers will increasingly demand integrated, personalized care on their terms.

Thanks to digital and "big data" technologies, built around gaining consumer insights and uncovering trends, choice abounds in terms of where individuals turn to access products and services. Because of the depth and breadth of "big data" availability, it is now possible to customize and personalize nearly all aspects of customers' online experiences. Consumers increasingly demand such personalization when it comes to their healthcare needs as well. Virtual care enables people to get the right treatment at the right time for resolution of their needs and, as a result, utilization and advocacy are accelerating. Already, more than 70% of American consumers express interest in virtual care as it provides a broader range of choices in providers, services offered, and when, where, and how those services are received.

A strong selling point for California brokers when speaking with clients is that customer satisfaction among users of telehealth services ranks among the highest of any consumer category studied by J.D. Power.

3. Virtual care will help close the access gap for mental healthcare

As the infographic below demonstrates, a study of employees across the United States found only 20% felt mentally and emotionally healthy over a two-week period. That should be a wakeup call for all plan sponsors and benefits managers given the adverse effects of mental illnesses such as depression and anxiety have on productivity, decision-

making, and interactions with other employees and customers. And stigma remains one of the most significant barriers to seeking help: 82% of employees who have had a mental health diagnosis hid their difficulties from workplace management, mainly because they feared a negative impact on their career.

For those who do seek care, access is challenging due to the limited availability of mental health professionals. Virtual care must disrupt the status quo to close the gap and create adequate access to mental healthcare.

Moreover, virtual care has proven successful in relieving symptoms and restoring mental health. Seventy-six percent of patients with depression reported improvement after the third visit with a virtual care mental health provider. With reduced stigma and fewer barriers to care, more people get the right diagnoses, action plans, and support needed to be mentally well and productive in work and life.

4. Virtual care will reduce the challenges of treating people with chronic diseases

Seventy-nine percent of California Medicare beneficiaries report having two or more chronic conditions, and 37% report four or more. Beyond the skyrocketing cost of care, managing multiple chronic conditions poses complex challenges for individuals who are juggling treatments, fighting fatigue, facing physical limitations and who are hamstrung by behavioral health issues.

Virtual care makes it easier for people to manage chronic conditions from the comfort of home and with the support of personal caregivers who can join virtual visits. And for many conditions, virtual care proves more effective than in-person visits as a result of better care coordination and fewer barriers to access such as distance, mobility, and time constraints. For example, in a recent virtual care coaching study, 49% of participants with high blood pressure improved by an entire hypertensive stage, and 40% of those who participated in a virtual diabetes prevention program lost more than 5% of their total body weight.

5. Physicians will increasingly seek training/support to provide effective virtual care to better

treat and diagnose patients who live in areas with few local providers.

By 2030, California could be short by as many as 10,000 primary care clinicians, including nurse practitioners and physician assistants. Some areas — the Central Valley, Central Coast, and Southern Border region — will be hit especially hard. So too will be remote rural and inner-city residents, communities of color, the elderly, those with mental illness or addiction, and those without health coverage.

Many people will be forced to wait longer for doctor visits and to travel further distances to see someone. They may become so discouraged they forego preventive care—and even care for chronic, serious disease—until emergency treatment is necessary.

Enter the rise of a new medical specialty: the virtualist. Specially trained to interface with patients through virtual care, virtualist physicians are supported by technology and clinical protocols that enable consistent, high-quality care, and exceptional patient experience. In addition to medical training, physicians must have multi-disciplinary education on virtual care policy, clinical quality practices, and communication skills for effective patient interactions. Medical schools and healthcare organizations must educate the leaders of tomorrow to master virtual care to provide the care that patients need, when, and how they need it.

Facing a shortage of qualified physicians and other healthcare practitioners, a large aging population suffering from chronic diseases, and government, businesses and consumers alike all clamoring for increased access, better service and lower healthcare costs, virtual care will increasingly serve as the ‘front door’ to access healthcare services in the near future.



Dan Trencher is senior vice president of product & corporate strategy for Teladoc Health, overseeing the development and execution of new business initiatives that deliver compelling user experiences and transforms how people access quality care. He ensures that Teladoc Health provides innovative commercial products, leading long-term road

mapping, market analysis, product development and management, and project execution. Reach Dan at dtrencher@teladochealth.com

Learn More About the Facts & Figures Cited in This Article

- National Business Group on Health. n.d. Large Employers' 2020 Health Care Strategy and Plan Design Survey. <https://www.businessgrouphealth.org/benchmarking/survey-reports/2020-report/>
- CMS 4/5/19. CMS finalizes policies to bring innovative telehealth benefit to Medicare Advantage. <https://www.cms.gov/newsroom/press-releases/cms-finalizes-policies-bring-innovative-telehealth-benefit-medicare-advantage>.
- Accenture. 2017. Voting for Virtual Care. <https://www.accenture.com/us-en/insight-voting-virtual-health-survey>.
- Aquilera, Elizabeth. "Paging more doctors: California's worsening physician shortage." CalMatters. 8/16/19. <https://calmatters.org/projects/californias-worsening-physician-shortage-doctors/>.
- Teladoc Health 2019. Mental Health in the Workplace: Global Impact Study. <https://teladochealth.com/en/resources/white-paper/mental-health-in-the-workplace-global-impact-study/>
- California Healthcare Foundation Almanac: Medicare Facts & Figures. <https://www.chcf.org/wp-content/uploads/2017/12/PDF-MedicareFactsFigures2010.pdf>.
- Mao AY, Chen C, Magana C, Caballero Barajas K, Olayiwola JN. Vol 5, No 6 (2017). "A Mobile Phone-Based Health Coaching Intervention for Weight Loss and Blood Pressure Reduction in a National Payer Population: A Retrospective Study." JMIR mHealth & uHealth, August 6: 80. <https://mhealth.jmir.org/2017/6/e80/>
- Nochomovitz M, Sharma R. 2018. "Is It Time for a New Medical Specialty? The Medical Virtualist." JAMA, 319(5):437–438. <https://doi.org/10.1001/jama.2017.17094>



TELEMEDICINE BRINGS BACK HOUSE CALLS

***Thanks to technology, insurance providers
are able to provide convenience to members
by bringing back the house call.***

BY DON VAN SCYOC

With so much power at our fingertips modern technology has made life more convenient than ever before. Say your client is overseas and forgot to pack socks. They don't need a car to run to the store, or cash to buy what they need. They don't even have to speak the language. That's because they have a cell phone. There are apps that pay others to run our errands. Digital credit cards to pay for our items. And translation software that does the talking for us.

Yes, 2020 is a convenient time to be alive. Thanks to the power of mobile technology, insurance providers are able to provide convenience to members by bringing back the house call—even if that house is a hotel in Bangkok, a beach in Bali, an airport in Germany or a conference room in Spain. Now travelers can access healthcare anytime, anywhere in the world with an internet connection.

Telemedicine services

According to a report by the Groupe Spécial Mobile Association (GSMA), "There are now more than 3.5 billion mobile internet subscribers globally. And in 2018, for the first time, there were more mobile internet users than non-users amongst the population covered by

a mobile broadband network." That puts in perspective just how connected our world is. Nowadays travelers are rarely out of touch, no matter how far from home they have traveled.

Currently just 10% of the world is NOT covered by a broadband network. And, that number is slowly shrinking.¹ With so much access to the internet, one can imagine that there are remote locations around the globe where getting online may be easier than getting to a clinic for care. For global travelers in need of medical assistance this can be unnerving. However, advancements in telemedicine services have now made it possible for travelers in almost every part of the world to access medical expertise, evaluations and treatments via the internet.

But the ability to access care remotely isn't the only advantage of a telemedicine service. Telemedicine users can speak with highly-trained, vetted physicians, at any hour of the day, in the language of their choice, without worrying about transportation, wait times, or making special child-care/work arrangements. Users can receive answers to medical questions, obtain prescriptions where legally acceptable, and receive step-by-step treatment instruction on things like how to stabilize a broken ankle.

In order to provide care via a telemedicine app, doctors must undergo extensive training and are required to maintain an active license to practice medicine.

A Question of quality

As you make your clients aware of their plans' telemedicine service, they may wonder if they can trust a diagnosis given through video chat. The short answer to this question is yes, and here's why. In order to provide care via a telemedicine app, doctors must undergo extensive training and are required to maintain an active license to practice medicine in their respective countries. Doctors are also tightly audited by the service vendors to ensure that they provide safe and appropriate medical care. They must follow the best practices set forth by their governing medical

bodies and that specific service vendor's standards of care.

Some smartphone applications, like GeoBlue's Global TeleMD™, give members the opportunity to complete a survey which measures their overall impression and satisfaction with the medical services they received. This gives vendors the opportunity to continually improve the user experience and ensure users receive the highest level of care.

In addition to these stop checks, patients can upload their medical records so that the telemedicine doctor can make informed recommendations and safely prescribe medications when medically necessary and compliant to do so.

Choose your clients' adventure

A telemedicine service can offer many benefits over the traditional approach to care when time and convenience are of the essence. Take a look...



Traditional approach to care:

- ***Search for a high-quality medical facility nearby***
- ***Subject to next-day appointments or long wait times***
- ***Make special arrangements to attend the appointment***
- ***Potentially incur unnecessary costs for basic medical guidance***
- ***Make arrangement to attend follow-up appointment or obtain a second opinion***



With a telemedicine service:

- ***24/7 access to a licensed physician (consultations within the hour)***
- ***No searching for a clinic or traveling to receive care***
- ***No need to make special child- or work-related arrangements***
- ***Consultation performed in the user's native language***
- ***No need to file a claim***
- ***Easily follow-up on care or receive a second opinion***



REFRESHINGLY CLEAR HUMAN CARE

Your Care Follows You

Our unique approach is simple and transparent, and helps members identify, understand, and access the best care wherever they live, work, and play. Contact us today to learn more.

888.8.CANOPY | CanopyHealth.com

Our Growing Provider Network



Remote care represents an interaction between two human beings in different locations ... it's crucial that you understand which service is included in your clients' plans, and to set accurate expectations.

Who benefits from telemedicine services?

Telemedicine services are designed for travelers of any age experiencing a non-medical emergency. If you know how to video chat using the FaceTime app or Microsoft Skype, you know how to use this service. For instance, missionaries and off-shore workers often work in remote areas where access to health care can be very limited or of poor quality. A business traveler may benefit from the convenience of scheduling and therefore save time. For all travelers, speaking to a physician in their native language can help reduce the potential anxiety and frustration caused by a language barrier.

From a physician's perspective, telemedicine doctors are comfortable diagnosing and treating a wide variety of medical issues, remotely. However, they are trained to recognize the limitations of such a service and understand the appropriate time to recommend face-to-face care. This takes into account the individual's condition as well as his/her ability to access quality medical care in the area.

Remote vs. virtual

When speaking to your clients about telemedicine it's important to make a clear distinction between "remote" care and "virtual" care. Although these two terms may seem interchangeable, they represent very different levels of service. Virtual care often refers to an interaction between a user and a "virtual" or "non-human" entity. This is the case with online chat bots that offer limited conversation points and medical guidance. While these services can be extremely beneficial to some users, it is very different than a "remote" consultation.

Remote care represents an interaction between two

human beings in different locations. This is done through a video or telephone conversation with a real doctor or nurse on the other end. By their very nature, these consultations are more personalized than if users were interacting with a chatbot.

It's important to note that insurance providers have not fully agreed on the use of these terms and therefore, some companies may use different terminology for their services. Because of this, it's crucial that you understand which service is included in your clients' plans, and to set accurate expectations.

Final thoughts

As global health insurance providers continue to focus on improving the user experience, services like telemedicine apps are becoming a staple in the industry. The ability to receive care from a highly-qualified physician in nearly any part of the globe provides a new level of comfort, convenience and security. Reminding your clients to take advantage of a telemedicine service can help strengthen your relationship and build trust as it brings attention to your commitment to their satisfaction. Be sure to discuss the benefits of these services with your clients to ensure it is top of mind during their next trip abroad.



Don Van Scyoc is the Vice President of Individual Sales at GeoBlue. GeoBlue is the trade name for the international health insurance programs of Worldwide Insurance Services, an independent licensee of the Blue Cross Blue Shield Association. GeoBlue combines mobile technology and worldwide healthcare expertise to deliver assistance and health benefits for the health, safety and convenience of world travelers.

CLARITY 2020 Symposium

LEADERSHIP | TRUST | VISION

March 10, 2020 | Riverside, CA

**A ONE DAY EVENT PACKED WITH LEADING THINKERS, STRATEGISTS,
CREATIVE BENEFIT AND MEDICARE SPECIALISTS.**

KEYNOTE: ROB NIELSEN, ALL AMERICAN LEADERSHIP

MARCY BUCKNER, J.D., VP GOVERNMENT AFFAIRS NAHU

BREAKOUT SESSIONS, A CULINARY EXPERIENCE, RESOURCE PARTNERS AND MORE.



[HTTPS://GUESTLIST.CO/EVENTS/630966](https://guestlist.co/events/630966)
866.922.8387
IEAHU.NET

4 TIPS TO BUILD BETTER CUSTOMER RELATIONSHIPS USING INTELLIGENT CRM

***An Intelligent Customer Relationship Manager
can take your business to the next level***

BY ADAM EDMONDS

***Your CRM system knows your
customers better than you
ever will. Let it automatically
prompt you with timely,
appropriate reasons
to call your clients.***

Every business and industry has different needs and, in the age of the customer, you need a customer relationship manager (CRM) that is tailored to those needs in order to deliver exceptional customer service.

Integration is the cornerstone of success for any CRM strategy, and investing in a sound, intelligent CRM is a surefire way to guarantee consistent conversions and longevity. Here are five ways investing in intelligent CRM will help you maximize productivity, deepen client relationships, and ultimately increase your organization's profitability:

Never miss another milestone

According to one customer experience study by Right Now, 68 percent of customers leave if they feel you don't care about them. Integrated CRM pulls data from back-office systems and third-party applications, doing all the heavy lifting so you never have to miss another milestone that could make or break your customer's loyalty. Let it automatically prompt you with timely, appropriate reasons to call your clients, whether it's a birthday, upcoming retirement, or the birth of a new family member.

AI automates so you don't have to

Intelligent CRM with built-in AI offers many benefits, chief among them is the cost-effective and efficient ability



to automate workflows and streamline client processes. By combining vertical-specific industry best practices with a modern, service-oriented architecture, it delivers timely information and actionable insights directly to your fingertips.

The average financial advisor only spends about 50 percent of their time in client-facing interactions, with the rest of the time spent on administrative and other tasks. Increase your productivity with intelligent CRM that alleviates administrative burdens so you can spend that time on client interactions that matter.

It's a social world

Your CRM system knows your customers better than you ever will. We live in a social media world that infiltrates every part of our daily lives and intelligent CRM allows you to easily engage with customers across channels on the topics they have demonstrated an interest in.

Eliminate your margin for error

We are in an age of heightened regulatory reform, and organizations that fail to adopt systems that track all client communications and interactions will be at risk. The financial services industry, for instance, has been rocked in the past decade as much by scandal and turbulent markets as it has by the resulting culture of control, transparency requirements, and demand for high-level accountability.

Investing in a modern integrated CRM system with a centralized security model, sophisticated reporting capabilities, flexible auditing capabilities, and a repository of client interactions and customer risk tolerance documents will help ensure you have what you need if the need arises.

By allowing your intelligent CRM to identify repetitive day-to-day tasks and how to simplify them, you get more time and productivity back to spend on the important things like facilitating meaningful client interactions. The best part? Your AI-powered CRM also has the ability to suggest and schedule personal touches that will make a difference to your client, creating a personalized touchpoint that allows for easier facilitation of authentic client relationships.



Adam Edmonds is vice president, products, for NextJ Systems. With almost two decades of experience developing customer management solutions in financial services and insurance Edmonds is responsible for establishing overall product vision and designing solutions that solve financial advisor's problems. NextJ Systems develops Intelligent Customer Management products for the financial services industry. Its award-winning products are designed to help Wealth Management, Private Banking, Corporate and Commercial Banking, and Insurance firms revolutionize their business. Powered by artificial intelligence, its products help drive productivity, boost client engagement, and increase revenue.

WHY MODERNIZING EXPENSE TECHNOLOGY IS CRITICAL FOR FINANCIAL ADVISORS AND BROKERS

BY JAMES THOMAS

As a financial planner or insurance agent, you know it's extremely important to track every expense you incur. Every penny must be tracked within a very highly-regulated industry. Many firms even have limits on what you can spend per client.

So, how do you track these expenses? If you enter this data manually, you know it's tedious, time-consuming, and expensive. Plus, there is always the risk of human error.

What will help you manage client purchases – and travel expenses – is investing in automated expense management technology. This eliminates all manual entry, better organizes and tracks expenses, and ultimately saves you lots of time and money. It's simpler.

Now, you may already know about expense tools – but do you know if you're using the right one? Is it tailored to your line of work as a financial planner or insurance agent? We'll get to that.

Using the right kind of tools here leads to getting reimbursed faster. And who wouldn't want that? We tell you how

this smart and easy-to-use business technology will help you manage your expenses, and, ultimately, become more productive and profitable.

Easy to use

At the end of the day, the government wants to know what you are spending to attract certain customers. This means tracking every single penny each day. It doesn't matter if you work at a large institution or a family-owned shop when it comes to tracking expenses. Everyone must do it within this industry.

Luckily, expense management technology makes your life a heck of a lot easier here: Connect to your e-mail on your cell phone, or take a picture, and all of your expense documents automatically come together. You can even upload paper documents through apps and websites if you prefer.

Now, here is where you need a specifically tailored expense management app that really helps you out: one that allows you to add project codes and notes. Forget writing, for example, "This is for the Johnson Project" on a receipt. Instead, do

EXPENSES





If you want to take control over your expenses — large and small — use automated expense management technology.

things digitally: fill in the so-called “metadata” fields for each uploaded receipt so that you know which expense is related to which client. There is no more guessing. No more missed reimbursements.

It goes where you do

You’re likely constantly on the go. You meet customers at different places and pay for their coffee or their meal. You also pay for your own gas in order to meet them. Now, sometimes you can turn those expenses into reimbursement that gets added to your commission. But that doesn’t always happen. You can’t (and don’t want to) spend more money on the customer than your potential upside to attract the client or win the deal.

So, how do you avoid this situation? Simple: Use expense management technology that you can take anywhere. This allows you to manage these costs as they happen. Imagine this scenario: Connect to your e-mail on your cell phone, or take a picture, and all of your expense documents automatically come together. You can even upload paper documents through apps, or a website if you prefer.

The big draw here for financial planners: doing this on your mobile phone. Why bother with some type of fancy accounting software on your computer when you have what you need anywhere you are? You will only end up paying a lot while receiving very little. It’s not worth it. Keep it simple and use your mobile phone. If you can operate a mobile phone camera, you can operate expense management tools. That is the only training criteria.

Saves Times and Money

We know that many financial advisors simply don’t have time to stay on top of their own bookkeeping. They spend a majority of their time analyzing how best to serve their clients in financial planning and investment. And if you ask us, that’s how it should be. This is where expense management technology can help.

Staying on top of your business’s accounting requires time to get organized and categorize expenses correctly. If you have ever used paper ledgers, you know this. But why spend all of this time on data entry if there is a smarter way to do it? For example, we know one financial advisor who has saved about 5 hours each month once they started using expense management apps. That turned into nearly 60 hours each year. This is 60 hours they can use to invest in their business and clients – not in tedious data entry.

What about money? We’ve worked with financial advisors who started saving in the same month that they began using it. You can may save yourself big bucks even – it’s not unheard of to save an extra \$500 to \$2,000 each month even.

Bottom line: If you want to take control over your expenses – large and small – use automated expense management technology. You will spend more time doing your actual work and less time on mundane data entry. This means more time focusing on the core of your business as a financial planner: your clients.



James Thomas is the founder and CEO of Itemize, a payments data company whose technology transforms receipts and invoices into structured information for commercial card data enhancement, accounts payable management and employee expense tracking. Prior to founding Itemize, Jim launched MasterCard’s payments data and analytics business, applying behavioral analytics and mathematics to large payments data sets. Previously, Jim served as a vice president at First Manhattan Consulting Group. He has also held positions at Morgan Stanley and Booz-Allen and Hamilton. Jim holds a BA from Franklin and Marshall College, a Masters of International Affairs from Columbia University and an MBA from Columbia Business School. Jim also serves on the board of directors of Cultural Vistas, a non-profit international exchange organization for young professionals.

Ryan Courtade, VP of revenue operations at Itemize also contributed to the article.

NATIONWIDE COVERAGE

Chiropractic and Acupuncture Benefit Plans

Landmark Healthplan offers affordable access plans to treat joint, back, and muscle pain — common and costly conditions that impact the bottom line. Now, with our fully-accredited nationwide provider network, Landmark offers you and your clients:



\$5

LOW COST

Coverage at less than \$5 per employee per month.
No deductibles, low co-pays.



NATIONAL ACCESS

Choose from more than 18,000 accredited providers nationwide.



INNOVATIVE CARE

Give your clients a fresh new alternative to drugs or surgery with access, innovation and savings for all.



NOW ENROLLING

www.LHP-CA.com/CalBroker | **(800) 298-4875** Option 5



GENERAL AGENCY: VIEW FROM THE TOP

COMPILED BY THORA MADDEN

1. What are the most important market trends that agents need to be aware of this year in small or large group?

Jennifer Lisanti, director of Sales, Beere & Purves:

Both segments have been very flat for several years now. As a result, in large group where there is more flexibility, carriers are becoming more aggressive, which is leading to more movement from one carrier to another than we have seen lately.

The biggest change for 2020 is the Department of Managed Health Care (DMHC) ruling requiring fully-insured small businesses to use small group rates and benefits at their next renewal on or after July 2020. There are a lot of small groups that currently get their benefits through large group trusts, etc. that will be forced to move to the small group market. This will be the largest membership increase to the small group market that we have seen in years. This will create a lot of work for agents but also a great opportunity for them to increase their small group book of business.

The DMHC ruling may or may not have an impact on large group, depending how the loss of the small groups in the trusts affect the pool as a whole.

Andre Todd, district general agent, Colonial Life:

Small employers currently have an increasing issue facing them with the cost of healthcare premiums rising combined with a tight labor market. Small businesses are looking at

all options to attract employees, and benefits are one way to remain competitive. A high percentage of employees for both small and large group employers are comparing benefits when making an employment decision. Large employers will likely see an increase of around 5% in the 2020 year for healthcare premiums. However, they still face the struggle of offering newer and more attractive employee benefits. Considering retention when making decisions about what type of benefits to offer will help most employers stay competitive.

Kristine Petrosyan, VP of Sales & Operations, Dickerson Employee Benefits:

In small group, we are seeing a trend in which carriers price their products more closely to encourage the purchase of higher-cost products versus lower-cost plans. In the most recent renewal cycle, we saw carriers routinely institute double-digit rate increases for Bronze and some Silver plans, while their increases for Gold and Platinum plans tended to be in the single-digit range. And this occurred despite out-of-pocket (OOP) limits in the Bronze and Silver markets continuing to increase steadily per ACA allowance.

Even as premiums have gone up, we've noticed the minimizing of both HMO and PPO networks.

Additionally, legislation continues to impact compliance standards for employers. Being aware of these changes creates opportunities to ensure clients stay ahead of the game and avoid penalties attached to evolving regulations.

Having a GA partner allows brokers to save time, sell more, better serve their clients, and become more profitable by offloading the work to GAs.

- Jennifer Lisanti



Jennifer Lisanti,
Beere & Purves



Jessica Word, Word & Brown



Ken Doyle, LISI



Kristine Petrosyan,
Dickerson



Andre Todd,
Colonial Life

Ken Doyle, SVP of Sales, LISI, an AmWins Group Company:

We're seeing more market stability; business is spreading back out across the months rather than all in Q4. Larger agencies are investing heavily in technology and acquisitions of brokers/agencies, so gaining market share is on their minds. This year, we'll see bundled packages, seamless technology offerings, and multi-line product capabilities.

Jessica Word, president, Word & Brown General Agency:

Rates have stabilized in the small group market and we're seeing single-digit increases from most carriers. This trend helps agents as employers look to control costs, while still offering a competitive benefits structure to employees. We're also seeing an increase in demand for ancillary options. A multi-carrier study from a few years ago found small- and mid-size market brokers can increase their retention by as much as 10-15% just by bundling health insurance with supplemental products.

2. What kinds of General Agent services are most vital to today's agents and what should agents keep in mind when choosing a GA?

Lisanti, Beere & Purves:

Similar to last year, the regulatory complexity of our indus-

try, and the increasing demands of clients, mean that it is imperative that brokers work with GAs that are knowledgeable and responsive. A GA needs to make the process as quick and smooth as possible so that the broker can provide high levels of satisfaction to today's demanding clients. Having a GA partner allows brokers to save time, sell more, better serve their clients, and become more profitable by offloading the work to GAs. When I started in the industry, GAs were strictly a marketing distribution channel for carriers, but now GAs are full service extensions of a broker's office.

Todd, Colonial Life:

Most GAs are offering a wide range of tools and value-added services to help agents stay competitive and retain current clients. The market has been trending toward communicating benefits through easy-to-use enrollment platforms and integrating with HRIS systems. So agents should be looking for effective ways to communicate their employers benefits – not just through enrollment platforms and communication tools – but also offering those tools to clients with additional ongoing support throughout the year at little or no cost. Statistics have shown that employees who use an online tool still find they need a 1-to-1 consultation to assist them with making benefit decisions. Choosing a GA that integrates an assisted online enrollment tool goes a long way to making sure that both employee and employer are satisfied with the tools being offered.

GA's should offer a strategic, accountable, and innovative leadership team that's rounded in integrity and trust...

—Ken Doyle

Petrosyan, Dickerson:

Most GAs now offer basic services including robust quoting systems, renewal and service assistance, and multilingual enrollment and communication. However, in addition to offering a wide variety of carrier products and plans, a GA also needs to offer other services that the advisor needs to present to their client. These value-added products and services include: electronic enrollment, COBRA, HIPAA, and ACA and compliance services. It's not enough just to represent many insurers and health plans. A GA also needs to partner with Third Party Administrators, Pharmacy Benefit Managers, Network and Quality Care Managers, and Alternative Funding consultants. And most importantly, a GA sales representative should be acting in a consultative capacity and not just as an order taker. A GA should present their carrier partners in an objective and fair manner.

Doyle, LISI:

GA's should offer a strategic, accountable, and innovative leadership team that's grounded in integrity and trust, and:

- Industry-leading marketing support
- A full scope of services and resources
- A national reach along with local market knowledge and relationships
- Product lines that offer more than just employee benefits
- Innovative technology solutions

Word, Word & Brown:

A competent GA offers service after the sale, like compliance and account management support. It's also more important than ever for a GA to have the ability to integrate with carriers, online enrollment systems like Ease, and other third-party services. These connections give brokers a seamless, cleaner approach to selling employee benefits.

3. What keeps you up at night (i.e. what are the most pressing issues for GAs right now)?

Lisanti, Beere & Purves:

Though ongoing legislative threats do keep me up at night, the same could have been said every year since I began in employee benefits almost 25 years ago. Even though it is the norm, it is important to be aware of the legislative environment and to continue being strong advocates for our industry. The knowledge and customer service agents bring to the complex healthcare world are invaluable to business owners, members and their families.

Todd, Colonial Life:

Human Resources support continues to be an issue for most GAs and their staff. HR personnel continue to feel the pressure of keeping up with the market trends and new laws; and staying relevant and engaged. GAs need to innovate and continue to offer a wide range of services to support their agents and stay above the competition. Since retention is a struggle, offering innovative solutions can be an effective tool in managing client relationships.

Petrosyan, Dickerson:

Declining compensation at a time when we are increasing our services and value proposition to agents is a big concern. Of course, that's a problem that keeps agents up at night too – we're both in the same challenging arena. Single Payer has also risen in prominence as a topic of conversation this election cycle, and this is concerning.

Doyle, LISI:

California politicians continue to introduce bills and policies that seemingly result in unintended consequences.

It's also more important than ever for a GA to have the ability to integrate with carriers, online enrollment systems like Ease, and other third-party services.

—Jessica Word

There are a handful of folks in Sacramento who believe a single-payer system is the answer. Observing the state's changing demographics, it's just a matter of time before we see these changes. At the end of the day, GAs that deliver the same services, with the same mindset will be dinosaurs over the next two years. As GAs, we have to change our approach and our model first, and not expect the legislators to change their approach or way of thinking anytime soon in California.

Word, Word & Brown:

I am sure many of us stay up trying to figure out new and creative ways to add value. At Word & Brown we're investing more than ever to expand our services, not only for our brokers, but also for their customers. For example, while we're always looking to offer faster ways to quote and enroll for our brokers, we've also designed an app for members called MedID. MedID gives members immediate access to their member ID card after their group is approved. Our app eliminates a call to a broker when a member needs to get care, but have not received their ID card from the carrier. This is just one example of our ongoing commitment to developing technology to help brokers and their clients. Finding creative ways to offer more is something we enjoy at Word & Brown.

4. Do you have any books you're reading that you'd like to recommend to California Broker readers? It can be any book of any sort. Just let us know why you like it. (We may mention your pick in our new Cal Broker Reads section of News).

Lisanti, Beere & Purves:

Make It Stick: The Science of Successful Learning by Peter C. Brown

This book discusses the best ways to learn and most importantly, to remember content. It is appealing as a parent with high school aged kids, and for ongoing professional development but it will speak to athletes, life-long learners and mature adults.

Todd, Colonial Life:

My favorite right now is: Who Moved My Cheese by Spencer Johnson, MD.

Petrosyan, Dickerson:

Members on my team recommend reading An American Sickness by Elisabeth Rosenthal, America's Bitter Pill Money, Politics, Backroom Deals, and the Fight to Fix Our Broken Healthcare System by Steven Brill, and The Manual – Health Care 2020: Connecting the Dots by Greg Dattillo and Dave Racer. These books provide unique insights on the state of the American healthcare system today.

For advice on professional development, team building, and leadership, I recommend reading Five Dysfunctions of a Team by Patrick Lencioni, Traction by Gino Wickman, and Essentialism by Greg McKeown.

Doyle, LISI:

- The E Myth by Michael Gerber
- Start with Why by Simon Sinek
- The 10X Rule by Grant Cardone
- Living with a Seal by Jesse Itzler
- Think and Grow Rich by Napoleon Hill
- Tax-Free Wealth by Tom Wheelwright
- How to Win Friends & Influence People by Dale Carnegie



COULD VOICE TECHNOLOGY & ANALYTICS PROVIDE TRUE VALUE IN THE GROUP INSURANCE ECOSYSTEM?

BY GARRETT VIGGERS

Voice technology is nothing new, with Apple's Siri, Amazon's Alexa, Microsoft's Cortana and Google's Assistant. In fact, it's an emerging component to many platforms attempting to break out in the insurtech industry, but we're a far cry from adoption at scale, and more importantly, road blocked by a slow-moving group insurance culture. In general, the insurance industry is in a shockingly important position, but woefully behind the times. It has more employer and employee data than most other businesses — everything from payroll, employee demographics, benefits buying patterns, and so on. It's a very big picture, and there's so many actionable insights that can be gleaned from this type of information.

Countless analytics platforms define the current experience. But no matter how granular they get, or how many data points these platforms pull out, we're in a data-

***A look at
a future industry
game-changer***

Ideal voice analytics would be more than just a bot that listens while customers dictate commands. It must be an active tool that can ensure better customer experiences ...

driven world that prizes the first touchpoint experience above all else. Those that have leveraged AI have usually outperformed their competitors, but those that can eventually crack voice analytics could be the real game-changer.

And it's no fluke. A recent survey by Pindrop found that 84 percent of businesses surveyed expect to utilize voice AI technology to interact with their customers within the next year, while the speech analytics market size is estimated to grow to about \$1.60 billion by 2020, and \$18 billion by 2023. In an industry poised for big change very soon, ideal speech analytics technology will essentially — and immediately — convert customer conversations and unstructured data into instantly actionable insights, boosting the potential for new business opportunities and meet the demand for even more precise risk management and renewal solutions.

But still, the tech just isn't there yet. When it is, it will have to be a practical, industry-enhancing tool that solves specific shortcomings. And just what are those shortcomings? That's the million-dollar question. Here are three things voice technology and analytics needs to take the group industry into the next decade:

1. It has to save time

For most businesses, digital agility is the key to long-term success. It provides new avenues to actively involve customers. Voice analytics can have a fundamental immediacy that will change internal carrier workflows and broker distribution processes within the industry for the better. For example, it's much faster to speak the words "what is the current dental benefit ABC detail?", or "what is the best dental plan option available?" than to manually open an 80 page benefit contract PDF and search for key

contract wording.

Every transaction is a rich data point primed for analysis and, ultimately, action. Ideal voice analytics technology would be required to save time through the instant automation of processes like data interfaces. Despite current robust platforms and business intelligence tools, the process of building out reports can only streamline the process up to a point. The biggest problem is that the systems that carriers use today to keep track of all of their new business and renewal policies and the data in them don't have a lot of access and validation.

There's a whole layer of sanitization that needs to happen before reports can glean valuable insights. Especially in the group insurance industry today, most input data comes from manual processes at some point that's prone to mistakes and even stylistic differences on how people store that information.

There's an opportunity here for new players to re-define time-saving standards by establishing them with voice functionality in mind. This means that a game-changing voice analytics solution would create more flexibility — instead of having to build out complex secondary reports parsed from new business data, renewal data, and customer interactions, the barrier to entry is lowered by vocal input. It would simply be a faster and more accurate analytical tool. In our hurried, on-the-go environment, large carriers with multiple offerings would be able to more quickly understand key insights into targeted group insurance personas at a more rapid pace.

2. It has to increase customer accuracy

Ideal voice analytics would be more than just a bot that listens while end consumer customers dictate commands.

Why should group carrier employees and brokerage agencies have to rely on outdated methodologies just because it's been a cornerstone of the industry for the last century?

It must be an active tool that can ensure better customer experiences in the future, including broker distribution customer channels.

Group carriers can use voice analytics to glean valuable real-time information about customers (brokers, employers and employees) to let them better understand a large swath of customer preferences — everything from which brokers are more apt to deliver those experiences, what customers you risk losing, what customers would benefit from cross-selling high-value added products, and what trends can uncover problems in general that can be solved more rapidly.

In terms of reading data and analyzing it, ideal voice analytics technology would have to easily funnel into probabilities about closing certain opportunities. It's valuable because if there's a high probability versus a low probability, carriers and brokers can be primed with the knowledge that they must use different strategies.

For example, voice analytics could better parse risk-scoring for a particular group, and give a win-or-lose ratio more quickly. The real-time analytics of this sort of data can single out particular groups that want particular products, in a particular industry, with a certain salary level. It could then produce an overwhelming win-ratio because of the ability to target the right consumers at the right time.

Quantifiable and actionable data streams via voice analytics will help drive priorities and efficiency for the best next steps.

3. It has to provide a better B2B employee engagement experience

Why should group carrier employees and brokerage agencies have to rely on outdated methodologies just

because it's been a cornerstone of the industry for the last century? Pen and paper, even tried-and-true spreadsheets, don't need to stay the same. Employees should be able to enjoy a modern, digital experience with cutting-edge technological solutions.

Next year alone, 30 percent of online browsing will take place without a screen, half of all searches will be done using voice, and 73 percent of people familiar with voice assistants have made purchases at some point. It's a fact that as the industry ages out, new tech-savvy employees who are familiar with accomplishing tasks with voice assistants will want to use them as well.

When a new generation of employees go to work, and they're living in siloed spreadsheets and green-screen mainframe monolithic systems, these just won't cut it. Voice analytics and automation augments administrative tasks that are largely done in outdated ways today. From a retention perspective at the carrier, they need to leverage best-in-class technologies, and truly effective voice integration could be the next wave.



Garrett Viggers co-founded Limelight Health as the creative force behind the platform. Garrett leads the sales and strategy teams in presenting the strategic path to insurtech success to group carriers. He is an innovator in quoting, underwriting, renewal, and decision support tools, and continues to push the boundaries of what is possible in the group ecosystem. Garrett has worked in the employee benefits industry since 2002, when consumer-driven health plans began a new era of decision support versus traditional options. Prior to Limelight, Garrett started Veritas Health Systems and Inovius, where he oversaw product design for interactive proposal systems.

higher income than the average population, most will be subject to surcharges at some point in retirement.

As the table shows, surcharges will increase Medicare Parts B and D premiums from 35% to 214%.

Impact of the indexing of surcharges

Starting in 2020, IRMAA brackets are being indexed for the first time in a decade to the consumer price inflation index for all urban consumers (CPI-U). In November the Center for Medicare & Medicaid Services announced an increase in IRMAA brackets by 1.9% over 2019 numbers. Brackets are projected to adjust at rate of 2.4% and approach 3.2%.

For many, annual retirement income growth will likely outstrip this rate of increase. Retirees may find themselves in higher income brackets and paying more for Medicare.

To compensate for potential revenue shortfalls, Medicare coverage is likely to be reduced, out-of-pocket costs will be higher, and premiums will increase.

As a case in point, in last year's announcement of new IRMAA brackets for 2020, it was announced that Part B premiums will rise by 7%, more than three times the current CPI-U inflation rate.

The bottom line here is indexing has not changed the healthcare equation or the need to help clients plan for surcharges.

Financial impact of surcharges

In the first year of retirement, assuming our 65-year-old couple's MAGI is \$175,000, a 36% increase in premiums may not seem like a lot on the \$4,479 they will pay for Medicare Parts B and D. But, assuming their retirement plans generate sufficient retirement income to at least keep pace with inflation, by age 85 their income will cross the MAGI thresholds for the 3rd bracket, resulting in significantly higher surcharges at a time when, driven by Medicare inflation, the cost of coverage will have grown considerably.

Product selection to reduce surcharges

Financial professionals have an opportunity to work with clients on investment choices and the mix of products in a portfolio to help them plan for and even reduce surcharges.

Since all or some income from Roth IRAs, certain types of annuities and life insurance, reverse mortgages, and HSAs don't count towards MAGI, incorporating them into financial plans offers a path to reducing the impact of surcharges. Since an extra \$1 in income that qualifies toward MAGI may trigger thousands of dollars in additional Medicare premiums, it's critical to review product mix with this in mind.

RMDs, capital gains & loss of spouse

Medicare surcharges may be impacted by a range of factors that need to be considered in the planning process.

Required minimum withdrawals can, for example, push a client's MAGI across the first of existing IRMAA thresholds, triggering surcharges or increasing them.

Portions of the capital gains from the sale of a house or

business, an inheritance or other capital gains which count toward MAGI can also lead to surcharges. Since they are calculated using a two-year look back on income, clients can find themselves facing lower benefits than they anticipated because they downsized their house or benefited from a capital gain in the two years before they retire. Few understand that they may have the ability to apply for exemptions for one-time events.

The death of a spouse will also have a significant impact on surcharges for the remaining partner, since the income level at which IRMAA brackets are crossed is halved. Even though the couple's income may have been in the first bracket, and income for the surviving partner may be lower, the change in status from couple to individual may lead to surcharges being deducted from Social Security benefits. This can come as a shock.

Understand Medicare to advise clients

Helping clients understand the impact of healthcare costs and surcharges, and making planning decisions requires a basic understanding of Medicare along with resources to support client's decision-making.

Our healthcare projection data, planning, and portfolio optimization tools, show clients their projected healthcare costs based on time to retirement, income, gender, State, and health condition. We also show the savings required at retirement to address them, and importantly, the impact of product selection on the surcharges they will have to pay in retirement.

Every client's circumstances will be different, so it is important to go through this process on an individualized basis. Since healthcare is just one aspect of retirement planning, the impact of these expenses and surcharges need to be looked at in the context of an overall portfolio.

A couple who have saved \$1 million with the goal of generating \$50,000 a year in income, on top of Social Security benefits, may be surprised to find out how much of this will be needed just to cover their healthcare expenses in retirement.

For clients still planning for retirement, providing insight into future healthcare costs and surcharges offers a powerful incentive to increase retirement savings to ensure these expenses are addressed. Our experience working with some of the largest companies shows that clients increase retirement contributions and investments by as much as 25% when healthcare costs are shared.

In addition to driving increased retirement savings, conversations around healthcare and surcharges offer a path to adding additional value. Helping clients address one of their top priorities – their future healthcare needs – and saving them tens or perhaps hundreds of thousands on dollars in lifetime surcharges is a powerful way to grow assets, engage in product conversations and build stronger relationships.

Ron Mastrogianni is CEO of HealthView Services (www.hvsfinancial.com) and HealthyCapital (www.healthycapital.com).

EMPLOYEE BENEFITS SUMMIT 2020

FRIDAY, MARCH 13, 2020 | 7:30 AM - 4:30 PM | ONE-DAY CONFERENCE



MARCH 13 | OMNI LOS ANGELES HOTEL

KEYNOTE PRESENTORS



Christopher Celio
Medical Director
of Employer Wellness
Providence St. Joseph Health
BREAKFAST KEYNOTE



Gene Rapisardi
Market President
Southern California & Nevada
CIGNA HealthCare
LUNCHEON KEYNOTE

EBPA's Annual Employee Benefits Summit

brings together human resources professionals and healthcare industry experts in a full-day conference to provide up-to-date information on legislative developments and the latest trends, concepts and ideas in employee benefits.

WHO SHOULD ATTEND?

Human resources professionals, employee benefits practitioners, employment law attorneys and all those who need to stay current with the ever-changing world of employee benefits. Attendance is limited. Register early!

Register Today
at www.ebpa.net

REGISTRATION

EPBA Member
Other Association Member
Future Members

Through
March 10th

\$345
\$395
\$495

Group discount pricing
for 3 or more from same
organization.

Contact Celeste Shepherd
at **888.960.3272** for more
information.

SUPPORTING SPONSORS:

PLATINUM PRESENTING SPONSOR



GOLD SPONSORS





► AD INDEX

13 Allied Administrators
alliedadministrators.com/abs
877-472-2669

2 Brand New Day
bndhmo.com
866-255-4795

3 CaliforniaChoice
calchoice.com
800-542-4218

27 Canopy
canopyhealth.com
888-8-CANOPY

9 CIGNA
cignaglobal.com/brokers
480-622-8625

5 Covered California
coveredca.com/forsmallbusiness
844-332-8384

45 EBPA
ebpa.net
800-298-4875, option 5

35 Landmark
LHP-CA.com/CalBroker
888-960-3272

30 IEAHU
ieahu.net
866-922-8387

7 Petersen International Underwriters
piu.org
piu@piu.org
800-345-8816

19 United Healthcare
uhc.com

48 Word & Brown
wordandbrown.com
(Northern CA) 800-255-9673
(Los Angeles) 800-560-5614
(Inland Empire) 877-225-0988
(Orange) 800-869-6989
(San Diego) 800-397-3381

► CLASSIFIEDS

**PAYING TOP DOLLAR
FOR
BOOKS OF BUSINESS**

**We Don't Just
Buy Them
We Service Them**



Contact George At:
George@Geldin.com
877-789-5831

E & O
**LOWEST RATES
IN THE
INDUSTRY
GUARANTEED!**

ERRORSANDOMISSIONSONLINE.COM

800 399-3125

**DISABILITY
CLAIM ADVICE**

Since 1995 secured over
1.7 Billion dollars in benefits
for disability claimants.



ART FRIES, RHU
1-800-567-1911
WWW.AFRIES.COM
friesart@hotmail.com

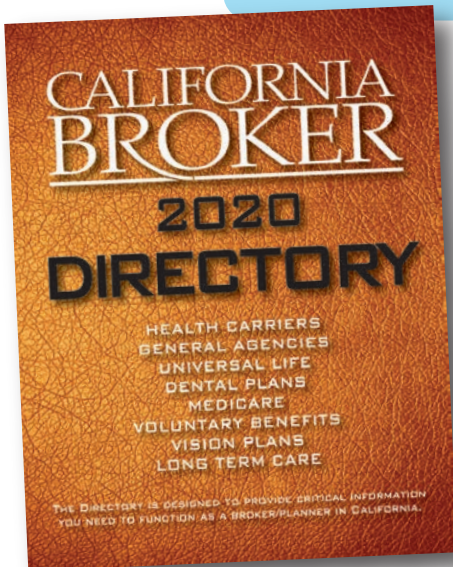
Cal Broker is hiring!
We're looking for an extraordinary
advertising salesperson to join our team.
Send your resume and cover letter to:
Publisher: ric@ricmadden.com

CLASSIFIEDS SELL!

818-848-2957
Thora@calbrokermag.com

CALIFORNIA BROKER

Keeping up with the industry insiders in the California insurance business can be difficult. That's why Cal Broker publishes the most complete directory of contacts for virtually everyone in life, healthcare and financial planning.



The *2020 Annual California Broker Insurance Directory* is here.

Every year *Cal Broker* publishes the most complete and up-to-date listing of the people at the top of the insurance industry.

Names, emails, phone numbers, and websites for the important decision makers in life, health, and financial services.

Look for it in your mail box, or if you haven't received your copy contact us at calbroker@calbrokermag.com.



**Do you only go to
dinner with 101+
friends just to say
you're a Large Group?**

We do.

**That's just how
committed we are.**



wordandbrown.com

Word&Brown®