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from Across the Bay

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- Group LTCi
- California LTCi Trends
- Hybrid LTCi Options in CA Grid
- In Home Care Services Grid
- LTCi insurance Subject Matter Experts- Glickman Family Story
- Small Facility Care Options
- Alzheimer's CA services/support
- New developments in LTCi
- Memory Care Services and Support
- Medical Care for Aging
- Hospice Care
- Skilled Care Coverage Options
- Care Giver Support
- Fiduciary Services
- Health care systems updates
- Drug Formularies
- Tech and AI

ARTICLES AND ADVERTORIALS DUE OCTOBER 1st

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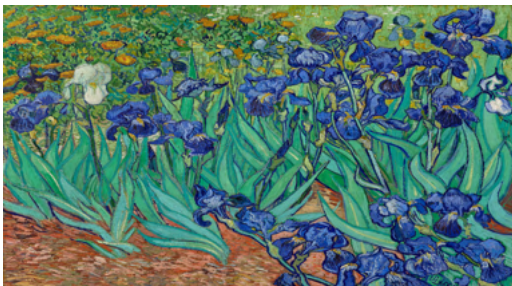
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publisher@calbrokermag.com

Subscriptions: U.S.: \$15/issue
Send change of address notification at least 20 days
prior to effective date; include old/new address to:

HEALTH BROKER PUBLISHING

14771 Plaza Drive Suite C • Tustin, CA 92780
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PUBLISHER'S NOTE



In Appreciation, Phil Calhoun

California Broker magazine became my responsibility in May 2022. Since the first issue back in May to now there have been so many changes in the magazine publication industry. Cal Broker has also experienced many changes. Advertisers have come and gone, our team has changed, our new team is doing a wonderful job, our article contributors are doing a great job, and with our move to the current eMagazine, the future in digital media is fantastic.

Digital Media-- Get Involved

Our move to Digital was made with our subscribers in mind. What a great decision. I just attended three broker Medicare events and heard great feedback about the California Broker eMagazine format. Our goal is to provide the same valuable content we've had since 1981 in order to be the industry leading resource for life and health licensed brokers and agents. In addition to the eMagazine, our team at Cal Broker also provides subscribers with our weekly content including:

- **Insurance Insider** is our eNewsletter where Industry News is featured and uses a strong California focus covering many hot topics in our industry.
- The **Cal Broker eCalendar**, with events and webinars of strongest interest also with a California impact; and
- The **CB Partner Special eOffers** which feature Cal Broker Partners with special offers for our Cal Broker subscribers; and
- Our **Cal Broker eDirectory** which is emailed to subscribers monthly and posted on our website 24/7/365.

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We Continue to GROW

More Subscribers

In March of 2022 we grew from 25,000 loyal subscribers to 135,000 subscribers. This growth was due to our planned move to work with the Department of Insurance to provide ALL CA resident licensed life and health insurance professionals with our industry leading journal. The response was above expectations as our delivery rate has been consistent and our open rate is the highest in the industry.

Performance

People are getting our email content! We proudly share our digital success. With our Delivery Rate holding strong at 98.5% consistently for every email we send, we confidently are reinforced with the fact that you all continue to welcome our email content.

People are looking at our emailed content! There is a great deal of email activity, and we appreciate when our emails arrive so many of you take a look. We know that Open Rates are based on subscriber interest. For the past two years California Broker Media has experienced an Open Rate range from 25% to 40% with 20% being the industry mark of success. With such a high Open Rate we know you are interested in the content we work hard to provide. People are taking action to learn more! Clicks on Content is a measure of the success an advertiser seeks.. For our Advertisers who want to help subscribers, clicks on their Ad take our subscribers to their desired location to learn more about the offer they made. Digital Media Marketing at it's very best!!! This Win Win results in helping subscribers learn more about the advertiser's offer while also giving the advertiser the opportunity to provide more information about the service or product they have to help subscribers be successful.

Move from print

We learned that our print magazine version was popular for some subscribers. When we experienced printing and postage increases three times in 2022, we moved to digital with a paid print subscription. Over several months we had few paid subscribers and after about a year we moved to digital only. I hear less often how the paper magazine was preferred so we want to make sure everyone knows they CAN print the magazine and enjoy holding the paper in their hands. Since some still like holding the magazine with glossy cover and bound book with manual page turning, there is a Print on Demand option. Send me an email and we will provide the details; the cost is a bummer at \$15 per issue.

Partnerships

We opened a partnership this year with CAHIP and all state chapters to publish events in our eCalendar, receive their articles, and provide eDirectory listings for board members. We enjoy recognition at events as a Sponsor and it is great to meet those of you who participate in events as well. NAIFA is another partner with the same mutually beneficial trade out. We encourage all subscribers to attend events in person or those listed in our eCalendar as virtual or recorded.

Future Plans

Subscriber Growth – The next two years we plan to continue to grow our subscriber base. Since many of our current subscribers are not California residents but they are licensed in CA, we plan to work with the California Department of Insurance to include all life and health insurance professionals both CA resident licensed and non-resident CA licensed. These additions will increase our subscriber base to well over 200,000 as we load them in over the next couple of months. We will know exact numbers soon but the opportunity to reach both resident and non-resident licensed CA life and health insurance professionals is an excellent one for our contributing authors and advertisers. For our authors, advertising partners, and subscribers, they will all benefit from the greater subscriber numbers and broader reach we will have with this growth move.

Print Magazine – We have aligned with a company that can offer a monthly printed version of our magazine. For those who need help with using our digital eMagazine it may be worth the effort as the price per issue for a California Broker magazine monthly is \$15 per issue or \$180 for a year. Contact us for more information.

Surveys and More Reader Interactivity

We want to hear from you! We need to know about your work in health insurance, life insurance, and what your thoughts are on your marketplace and the industry. Please let us know and your input will help us to develop a meaningful experience for you.

BY PHIL CALHOUN
CALBROKER PUBLISHER



Industry News

CURATED NEWS FROM THE INDUSTRY

New ordinance to require Los Angeles County hospitals to share medical debt data

By Erica Carbajal

The Los Angeles County Board of Supervisors passed an ordinance Aug. 6 that will require hospitals to inform the county's health department of attempts to collect medical debt from patients, according to the Los Angeles Times.

The ordinance will need a second vote before it is implemented. It will require hospitals to alert the health department within a month or two of initiating debt collection efforts; report up to four times per year on patients' medical debt amounts; and share what financial assistance was offered. Once the ordinance goes into effect, hospitals would have about six months to comply and submit reports. Violations could result in fines or legal action.

Public health officials have said the goal is to prevent medical debt when possible and identify potential missed opportunities for financial assistance.

Initially, the county requirements will apply to about seven hospitals in unincorporated areas, including MLK Community Hospital. Local cities in the county may then adopt the requirements in their own jurisdictions. The Hospital Association of Southern California told the Times that its members are concerned about how cumbersome the data reporting requirements will be. The group is urging the county to ensure the requirements aren't unreasonably burdensome before expanding them beyond the unincorporated areas where they'll take effect.

About 1 in 10 residents were affected by \$2.9 billion in medical debt in 2022, according to estimates from Los Angeles County.

California fast food workers now earn \$20 per hour. Franchisees are responding by cutting hours

By Jaimie Ding

Lawrence Cheng, whose family owns seven Wendy's locations south of Los Angeles, took orders at the register on a recent day and emptied steaming hot baskets of French fries and chicken nuggets, salting them with a flourish.

Cheng used to have nearly a dozen employees on the afternoon shift at his Fountain Valley location in Orange County. Now he only schedules seven for each shift as he scrambles to absorb a dramatic jump in labor costs after a new California law boosted the hourly wage for fast food workers on April 1 from \$16 to \$20 an hour.

"We kind of just cut where we can," he said. "I schedule one less person, and then I come in for that time that I didn't schedule and I work that hour."

Cheng hopes the summer when business is traditionally brisk with students out of school and families traveling or spending more time eating out will bring a better profit that can cover the added costs.

Experts say it's still too early to tell the long-term impact of the wage hike on fast food restaurants and whether there will be widespread layoffs and closures. Past wage increases have not necessarily led to job losses. When California and New York nearly doubled their minimum wage previously to \$15 compared to the federal level of \$7.25 per hour, job growth continued, according to a University of California, Berkeley study.

So far, the industry has continued to show job growth. In the first two months after the law passed April 1, the industry gained 8,000 jobs, compared to the same period in 2023, according to the U.S. Bureau of Labor Statistics. No figures were available yet for June.

Joseph Bryant, executive vice president of the Service Employees International Union, which pushed for the raise, said the industry has not only added jobs under the new law but "multiple franchisees have also noted that the higher wage is already attracting better job candidates, thus reducing turnover."

But many major fast food chain operators say they are cutting hours and raising prices to stay in business.

READ FULL ARTICLE: <https://bit.ly/4cKWwL3>

Who is running for California governor in 2026? Meet the potential candidates

By Phil Willon

Assistant Editor, Sacramento

Welcome to your guide to the 2026 California governor's race. The election may be a long way off, but campaigns for the state's most coveted political prize already are underway.

The race is wide open since Democratic Gov. Gavin Newsom is serving his second term as California governor and by law cannot run again.

With a large and diverse field of candidates vying for the state's highest office, the winner may make history. California has never elected a woman as governor, and only once has a person of color held the office — Gov. Romualdo Pacheco, for just a few months in 1875.

Here are the declared candidates and some potential hopefuls:

READ FULL ARTICLE <https://lat.ms/3WZQsc7>



Guaranteed basic income programs proliferate across California

By Lynn La

Beginning Monday, 150 households in Fresno County are expected to receive a \$500 prepaid card to spend on anything they'd like — no strings attached. It will be the first of 12 monthly recurring payments those Southwest Fresno and Huron residents will receive as part of a guaranteed basic income program for low-income families.

For Andy Levine, an advisor at the Fresno Economic Opportunities Commission that is handling the financial disbursements, it marks a big milestone. In 2022, the state launched its own \$25 million guaranteed income pilot program, but no region in the Central Valley, including Fresno County, was selected to participate. That's despite 20% of the county living below the federal poverty line — almost double the percentage for California overall.

Levine was “genuinely surprised and disappointed” that Fresno didn't make the cut. But after philanthropic organizations stepped in, the commission raised about \$1 million to launch the program. Researchers at Fresno State will study the effect the money will have on families, which similar

programs have shown to improve health, reduce stress and can lead to full-time employment, according to Levine. They'll also analyze the impact on the families' children, and whether the money helps improve early childhood outcomes and boost parental involvement.

Levine: “You can spend some money on the front end to provide stability. Or you can pay extra in public services for the consequences for people not having enough. Is it more cost effective to just provide people ... what they need to be productive, self-sustaining and resilient?”

Other regions in the state are also experimenting with guaranteed income programs. Sacramento County's Department of Child, Family and Adult Services is planning a year-long pilot with money from a \$7.3 million state block grant. It will give \$725 a month to 200 Black, American Indian and Alaska Native families living below the federal poverty level.

And in Pomona, applications closed earlier this week for a program that will give \$250 eligible residents 18 monthly payments of \$500.

Sean Kline, the former director of the Stanford Basic Income Lab and current advisor to a behavioral science nonprofit, says basic income programs have proliferated in the last four years in California because of the convergence of three factors: decades of widening income disparities, the pandemic's impact on economic inequalities and a public urgency to address racial injustice following the 2020 murder of George Floyd.

These programs have the potential to influence state and federal policies, according to Kline, not only because they give cash directly to those who need it with little bureaucratic red tape, but also because they can reshape harmful narratives about poverty. Giving money unconditionally signals a sense of trust to a population whose spending decisions are often heavily scrutinized, said Kline.

Kline: “We give tremendous tax benefits to the middle- and upper-class. The mortgage interest on my house, I can deduct. And no one is asking me how I'm spending that money or to provide a urine sample. We have a tremendous double standard here.”

An Upcoming White House Decision May Jeopardize Americans' Access to Life-Saving Drugs

The White House might soon finalize a rule that will either save or cost patients billions of dollars in prescription drug costs. The rule concerns “copay accumulators,” which are programs health plans use to prevent copay assistance from counting toward patients' deductibles or out-of-pocket maximums.

By Katie Adams

The White House could soon finalize a rule that will either save or cost patients billions of dollars in prescription drug costs.

The rule concerns “copay accumulators,” which are programs health plans use to prevent copay assistance from counting toward patients' deductibles or out-of-pocket maximums. Typically, when patients receive copay assistance from pharmaceutical companies, the amount paid by the manufacturer helps reduce the patient's out-of-pocket costs. But with copay accumulators, the assistance from the drugmaker is not counted toward the patient's maximum limit on out-of-pocket expenses.

In September of last year, Judge John D. Bates of the U.S. District Court for the District of Columbia overturned a 2021 rule that allowed the use of copay accumulators. The decision — which came as a result of patient advocacy groups challenging the Trump administration rule — said that payers will now only be able to use the

programs for brand-name medications that have generic equivalents.

HHS, along with CMS, appealed the decision in November. A month later, a bipartisan group of 19 U.S. senators sent a letter to HHS asking it to rethink its appeal, urging the department to drop the appeal to ensure Americans receive cost-sharing protections for their expensive medications.

Copay assistance is critical for many patients — including those with cancer, arthritis, hemophilia, multiple sclerosis, HIV and hepatitis — to afford their high copays, pointed out Carl Schmid, executive director of the HIV+Hepatitis Policy Institute.

“Once the copay assistance runs out, the patient goes to pick up their drug and they are slapped with a several thousand dollar bill. This is a surprise to them — they thought they were picking up their drug with no problem, but they later learned that the copay assistance the insurer was collecting was not counting and in order to pick up their drug, they need to come up with that money,” he explained.

This usually forces patients to make the

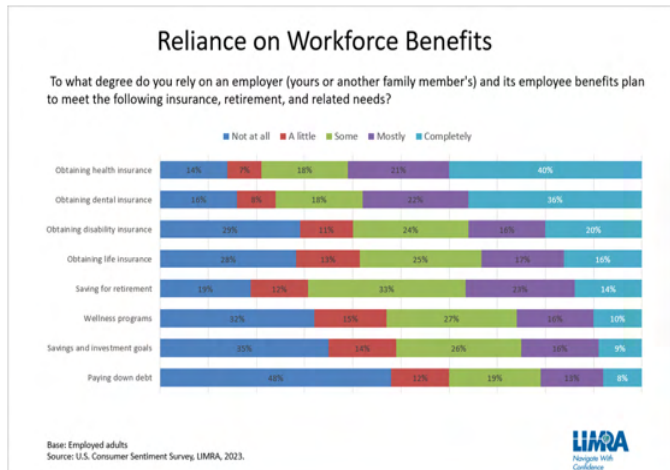
decision of either going into significant debt or skipping their medication, Schmid noted.

He also pointed out that about half of all employer plans use copay accumulators or similar schemes — adding that these programs took nearly \$5 billion in assistance away from patients last year.

“We don't understand why [insurers] are instituting these harmful schemes. We understand that they are concerned about the high cost of drugs and they are trying to milk the drug companies, but at the same time they are harming patients,” Schmid declared.

He said it's unclear when the White House is expected to reach a decision on the rule, noting that it could be “any day now or several weeks.”

LIMRA's Industry Trends: The World of Work – and Workplace Benefits – Is Changing



LIMRA research reveals benefits are critical to both employees and employers

Coming out of the pandemic, the way we work has changed significantly. Today, there are five generations in the workplace, more employees are working remotely or in hybrid roles, and others are working as gig or freelance workers. As a result, employers are facing substantial competition for top talent.

These changes have influenced the workplace benefits industry. According to LIMRA research, 70% of employers say their company's benefits package will be critical to attracting and retaining the best workers. In addition, 51% believe their company will be offering more benefits in the future than it does today and 61% of employers say their employees will expect a wider variety of benefit options.

The study shows there is growing interest in gig work. LIMRA research shows that of the 66% of employees who currently work at a traditional job, 36% say they are likely to pursue a freelance or gig position within the next five years. Similarly, for those who supplement their traditional job with freelance work, 65% say they will look to make their freelance work their primary source of income.

At the same time, more employers are looking to leverage freelance workers, and many employers are looking to provide benefits to these workers. For carriers and other benefits providers, this will have an impact on things like product design and who is eligible for benefits.

Today, many employees — especially middle-income workers, younger workers, and those who currently don't work with a financial advisor — rely heavily on an employer to provide a comprehensive benefits package.

LIMRA research shows employers want to offer traditional and non-traditional benefits that can help workers address the financial risks they face. Yet rising medical premiums are putting a squeeze on employers' ability to provide a broader employer-paid benefits package. As a result, more companies are offering benefits on a contributory or voluntary basis, shifting the costs to their workers.

In a recent study, LIMRA asked employers what steps their company has taken in the past two years to manage their benefits program. Over half (55%) of employers said their company negotiated with providers for better terms, lower premiums, fees, etc., to better manage costs. Yet almost half (45%) said they added one or more benefits to remain competitive.

Employee Education and Communication Is Critical

Another issue around workplace benefits is the need for stronger benefits education and tools that help employees make decisions about the coverage they need. Other LIMRA research shows that workers really don't have a good understanding of what benefits are available to them, and the details about those benefits.

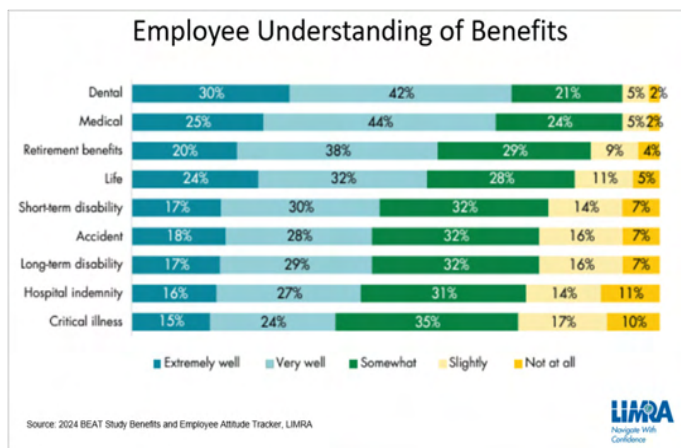
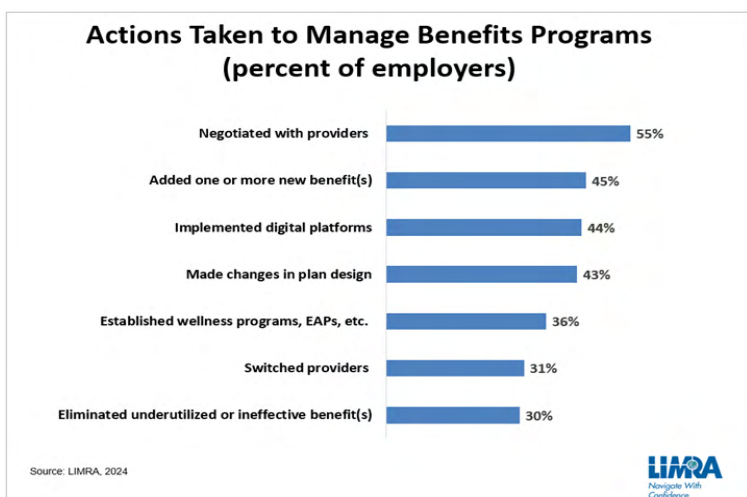
The most understood benefits are dental, medical and retirement. More than 7 in 10 employees (72%) understand dental benefits extremely or very well, while almost the same amount (69%) say that about medical insurance. When it comes to benefits like retirement, life insurance and short-term disability, the level of understanding is much lower, 58%, 56% and 47% respectively.

As far as communication goes, LIMRA research shows half of employees (50%) currently only receive communication about benefits once a year during open enrollment. According to the research, almost 1 in 4 employees (24%) would like to have communication around benefits frequently throughout the year.

For insurers and other benefits providers, the priority must be to develop more flexible offerings that can be modified to meet changing needs at different life stages and deliver them in an engaging way that resonates with the workers of the future.

To learn more about workplace benefits, watch June's episode of Industry Insights With Bryan Hodgens — The Changing World of Workplace Benefits

<https://bit.ly/3T6Uqx2>



WSJ: 42% of small businesses surveyed facing health insurance rate increases of 10% or more

By Lurah Lowery

A recent Wall Street Journal article highlights the cost increases in various insurance lines that small businesses face, and the cutbacks that have to be made to keep afloat.

Rising insurance costs represent the greatest source of pain for small businesses, the article states. Forty-two percent of small business respondents to a survey by Vistage Worldwide for The WSJ said they are seeing increases of 10% or more for insurance.

“Roughly half of small business owners said health insurance costs increased by 10% or more this year, according to a survey of about 800 entrepreneurs conducted in June for The Wall Street Journal,” the article says. “Nearly 1 in 10 reported increases of 25% or higher.

“At Jay-Hill Repairs, insurance premiums for health, auto, and liability coverage jumped by an average of 20% this year, well above the 9% to 12% increase the company was expecting. To keep costs in check, the Fairfield, New Jersey company switched health insurance carriers and recently turned down three otherwise qualified job

candidates with spotty driving records that could have resulted in higher auto insurance costs.”

Other types of insurance have grown more expensive due to extreme record-setting weather and vehicle repair costs. Repair costs are on the rise, in part, because of the complexity of advanced driver assistance systems (ADAS), the need for pre- and post-scans and calibrations, and working with other high-tech and/or expensive features and components.

The article cites recent research by JPMorganChase Institute which found that healthcare expenses made up nearly 12% of payroll expenses for firms with less than \$600,000 in revenue compared to 7% for small businesses with revenue greater than \$2.4 million. The study looked at about 1,900 small business health insurance premium payments from 2018-2023.

The study notes more than 94% of small businesses in the U.S. have 1-49 employees, and 54% have fewer than five employees.

“Smaller firms with fewer employees may be less able to negotiate favorable insurance premiums compared to their larger

counterparts,” the study states.

Gary Claxton, a senior vice president with health policy research organization, KFF, told WSJ the best way for businesses to lower standard insurance plan costs is to opt for a smaller network of providers, raise deductibles, or otherwise trim coverage.

Some small business owners are opting to continue offering the best coverages they can because, without doing so, they fear they would struggle to remain competitive in today’s job market.

“We’re competing with the government for the labor pool. I have no choice,” said Shane Belcher, co-owner of Lyons Lumber, in the WSJ article. “Being a small company, we have to offer quality insurance if we want to attract quality people.”

However, he added that the higher costs paired with weakening sales might cause hiring delays to fill open positions, forcing the company to operate with a smaller staff.

READ FULL ARTICLE
<https://bit.ly/3MqEdPC>

The impact of AI and telemedicine on behavioral health services

By Bill Siwicki

The behavioral health landscape faces several significant challenges, primarily stemming from a severe shortage of providers and increasing demand for services. As has been seen in recent years, there’s been a surge in behavioral health needs across all demographics.

This mismatch between supply and demand has led to long wait times, difficulty accessing care, and, in some cases, patients going without necessary treatment.

Andy Flanagan is CEO of Iris Telehealth, a telepsychiatry technology and services provider. He holds a Master of Science in Health Informatics from the Feinberg School of Medicine at Northwestern University. His prior experience includes being a three-time CEO, as well as founding an SaaS company and holding senior-level positions at Siemens Healthcare, SAP and Xerox.

We interviewed Flanagan to discuss the challenges in behavioral health, how behavioral healthcare providers can leverage AI risk models to ensure patients are matched with the most appropriate clinician at the right time, how AI can significantly improve the efficiency of the already overwhelmed behavioral health workforce,



and how AI can enhance the profitability of delivering behavioral healthcare services, including telemedicine services.

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READ FULL ARTICLE
<https://bit.ly/4e5y8Ur>

Which parts of healthcare are off limits to AI?

By Giles Bruce

As artificial intelligence proliferates in healthcare, health system leaders told Becker's that human providers will always be part of the medical field, with their — AI-aided — treatment recommendations being discussed with patients and family members.

“Any patient care decisions — whether to participate in a clinical trial, to take a new prescription, to proceed with a potentially risky surgery — that ultimate decision should be made by patients and their caregivers or family members, obviously in consultation with their physician or provider,” said Joe Depa, chief data and AI officer of Atlanta-based Emory Healthcare.

While eliminating humans from healthcare may seem like the realm of science fiction, Chinese researchers are reportedly developing an AI hospital that could launch later this year, Mr. Depa noted. That would never happen here, he added, because of regulations and ethical considerations.

Patient consent should also be required for “digital twins,” where AI creates computer replicas of patients to help with treatment decisions, or even to watch AI-generated videos, which Emory Healthcare is experimenting with, he said.

READ FULL ARTICLE
<https://bit.ly/4dEFL4L>

Wearable Tech is Empowering Patients To Be Proactive in Their Health

By David Ouellette and Sabrina Moreno

This potential for self-management can reduce the burden on the healthcare system, resulting in fewer doctor visits, lower hospitalization risks, and fewer diagnostic tests as patients can take corrective action earlier or identify issues sooner.

Today's healthcare ecosystem is complex, with the patient at the center of it all. There has never been a time where so much innovation is happening in healthcare than today, all with the aim of providing better patient care and better patient outcomes. Wearable technologies are playing a significant role in that innovation. While wearable technology is not new, it is seeing explosive growth. As wearable tech gains traction, it is important to understand how it can and will affect both healthcare delivery and patient experiences.

Wearable technology can be broken down into two categories:

- consumer wearables like watches, rings, and clothing, and
- medical grade wearables (such as blood pressure, glucose, and heart monitors) that can be used in the hospital as well as post-discharge.

READ FULL ARTICLE

<https://bit.ly/4cKi0H5>



Cases of the fungal infection have been rising in California for years.

14 people got Valley fever after a California music festival, highlighting the fungus' growing threat

By Aria Bendix and Elysee Barakett

The Summary

- Cases of Valley fever, a fungal infection, have been climbing in California in recent years.
- Fourteen cases identified among people who attended or worked at a music festival in the state are an example of the fungus' threat.
- Climate change is creating more opportunities for the fungus, called coccidioides, to proliferate.

An outbreak of Valley fever among attendees and workers at an outdoor music festival in California's Central Valley highlights the fungal infection's mounting threat.

Fourteen people who traveled to attend or work at the Lightning in a Bottle Festival in Bakersfield in May have tested positive for Valley fever and developed symptoms, the California Department of Public Health told NBC News on Thursday. At least three of them were hospitalized.

"About a week after getting back from the festival, I just got hit with crazy body aches and crazy fevers," said Eric Mattson, 33, a musician in San Luis Obispo, who said he attended the festival this year. He tested positive for Valley fever last month.

READ FULL ARTICLE

<https://nbcnews.to/3MpQOmd>

Maximizing Health Savings: A Comprehensive Guide to HSAs



By Paul Roberts, REBC,
*Sr. Director of
Education & Market
Development*
|California & Nevada

Health Savings Accounts (HSAs) are a valuable tool for eligible individuals to save tax-free dollars for health care expenses, with the added benefit of accumulating tax-free interest over time. Introduced in 2003 and available to individuals starting in 2004, HSAs have become an integral part of health care planning and financial savings.

While many health insurance professionals are familiar with HSAs, it can be easy to lose sight of some key mechanics and principles over time. This knowledge is crucial, as HSAs can significantly offset the costs of medical care, create a dedicated savings account for both medical and non-medical expenses (with a tax penalty for the latter,

similar to 401(k) withdrawals for non-retirement purposes), and provide one of the few opportunities to earn interest in a savings account tax-free.

HSAs offer the unique advantage of tax-free withdrawals when funds are used for qualified medical expenses occurring any time after the HSA's opening, making them a powerful financial tool for managing health care costs. Savvy HSA users often treat their accounts as long-term savings vehicles – maximizing contributions and allowing funds to grow tax-free while paying out-of-pocket for current medical expenses and saving receipts for future tax-free reimbursements, thereby maximizing their savings potential. Likewise, individuals with high plan utilization and higher-than-expected costs can use HSAs to pay coinsurance and deductibles with tax-free dollars, ultimately decreasing their overall cost of care.

High Deductible Health Plans (HDHPs)

READ FULL ARTICLE

<https://bit.ly/3MpRojT>

Ranking the Best CRM Options for Insurance Brokers



By Word & Brown | California & Nevada

A Customer Relationship Management (CRM) program can help you and/or your business maintain customer records, track customer interactions, and so much more. It gives you a straightforward way to strengthen your business relationships, drive sales growth, and enhance your customer retention. For insurance professionals or agencies, CRM can be transformative. But how can you decide what CRM program is right for you and your business? Let's take a look at some of your available options.

Considerations in reviewing your options should focus on features that can streamline processes for you, improve client management, and facilitate communications with prospects and customers alike.

In its analysis in Top CRM Software of 2024, Forbes Advisor gives high marks to six platforms:

HubSpot: 14-day free trial, plans starting at \$0 per month; good for growing companies.

Salesforce: Easy integration with existing systems, automated workflow, 30-day free trial.

Pipedrive: Plans start at \$14.90 monthly per user, 14-day free trial, pipeline management.

Monday.com: Plans start at \$8 per month per user, 14-day free trial, seamless integration.

HoneyBook: Plans start at \$16 per user per month, 7-day free trial, includes contracts, invoices, and payment tools.

All five of these systems earned a 9.7 or more (on a 10-point scale).

PC Magazine's The Best CRM Software for 2024, featured a dozen CRM platforms in its analysis. Salesforce, HubSpot, and Pipedrive appeared in its list, too. In fact, Salesforce was just best overall. HubSpot was considered easiest to use. Pipeline was deemed best for deal-oriented sales teams.

The nine others considered by PC Magazine were:

- Zoho CRM: Deep feature set, steep learning curve, advanced features only at higher-cost tiers.
- Creatio CRM: Best for large sales teams, unified business solution, short trial period.
- Freshsales CRM: Best basic CRM, extensive customization options, no reports in free plan.
- Zendesk Sell: Judged best for integration with Zendesk products, easy onboarding, gets pricey beyond lowest tier.
- Less Annoying CRM: Best for start-ups, plenty of support and help options, limited reporting.
- Sugar CRM Sugar Sell: Offering best customization, deep feature set, significant learning curve, can be expensive at higher tiers
- Apptivo CRM: Best for small businesses, comprehensive feature set, outstanding mobile applications, performance can be sluggish.
- Insightly CRM: Considered best for growth-stage businesses, smooth data input and sharing, highly customizable, expensive high-end tiers.
- ACT! CRM: Good for longtime ACT! users, integrated email marketing, good marketing automation workflow, external email client required.

For more detailed pros and cons, specifications, and configurations, you can read the Forbes and PC Magazine articles using the links above.

Of course, there are numerous other CRM platforms available, too – some specifically geared toward insurance professionals. AgencyBloc, Shape, Freshworks, Applied Epic, and NetSuite CRM are discussed in an online article here.

After you have narrowed your contender list to a handful (or fewer), look for user reviews to find out more about what others think. Ask your industry colleagues about their experiences. What do they like – or hate – about the CRM they are using.

Finding a CRM system that will work for you or your agency is crucial. Platforms offer distinctive features and benefits, and prices range from no cost to hundreds per user per month. You must decide what you need – and will use enough – to justify your investment. Consider what tools you and your colleagues are using right now, what you can – and can't – do, how the system might integrate with other software, and the learning curve required to get you up and running on the new CRM. Beware of paying for features you won't use.

COVID-19 Carrier Testing Coverage

Updated on: July 22, 2024 | By Word & Brown General Agency | California

As your clients may be among those exposed or impacted by the rising positive COVID-19 rates, we recently completed a survey of our California carriers to determine how they may be covering lab tests or over-the-counter tests for COVID-19.

[Click here to download COVID-19 Carrier Testing Coverage PDF](#)

Where health systems are going wrong with Medicare Advantage

By Alan Condon

As the Medicare Advantage landscape evolves, the success of health systems hinges on their ability to adapt and excel in key areas such as star ratings and appropriate coding.

Health systems' greatest opportunity is to enter into full-risk arrangements with health plans, shifting the focus from managing illness to maintaining wellness. However, many systems have not made the necessary investments to thrive in this value-based care model, often missing out on its potential benefits and driving ambivalence toward the MA program, according to SCAN Group CEO Sachin Jain, MD.

"Success in MA is predicated on whether or not health systems are making the requisite changes," Dr. Jain told Becker's. "To be successful in MA, there needs to be an exquisite performance in both stars program as well as appropriate coding. When health systems engage in both, they have the opportunity to perform well."

The other dynamic is whether or not they're entering into full-risk arrangements with health plans or if they're operating in fee for service, according to Dr. Jain.

"The greatest opportunity that health systems have is to actually enter into full risk arrangements in which they assume full risk for a population of patients and focus on keeping them healthy rather than managing them when they're sick," he said.

Excessive prior authorization denial rates and slow payments from insurers are some of the well-documented challenges providers face with MA, but Dr. Jain argues that many health systems do not invest in the appropriate areas to effectively manage care in a full-risk environment.

"They're getting paid to essentially do the same thing they might do in traditional Medicare. That's a real missed opportunity and why you're seeing so much ambivalence around MA," Dr. Jain said. "MA works when health systems are operating in a full-risk environment and doing their level best to actually manage the care of patients — to invest in chronic disease management and hospital avoidance for ambulatory-sensitive conditions. These are the kinds of things that really make a difference between systems that perform well in MA and those that struggle."

Though health system-owned MA enrollment has grown overall recently, it has underperformed with respect to the largest payers and comprises 13% of the MA market, compared to 17% in 2019.

MA is also a different animal than traditional Medicare — where many systems aim to provide as many services as they can — but creates the right incentives for providers that prioritize the health and wellness of their populations as opposed to sick care of their populations, according to Dr. Jain.

Another factor is that some health systems do not have a clear view of their line of business by contract profitability. Many providers are not profitable in MA, but it is critical to explore why.

"Because MA is relatively new to some systems, there isn't necessarily the contracting sophistication, which some MA plans are taking advantage of," Dr. Jain said. "Rather than fighting to get the right kind of contracts, many systems are walking away from the program altogether, which is unfortunate because MA is the plan of choice for many lower income, older adults."

Dr. Jain argues that it has evolved into a collision of mission versus margin for many providers.

"Health systems need to do the work to be successful in MA," he said. "Some of the most frail and vulnerable populations in their communities are turning to MA because traditional Medicare

is actually inadequate in the coverage that it provides for many beneficiaries."

Some health systems push back against this claim, pointing to the fact that most MA carriers have faced allegations of billing fraud from the federal government and are being probed by lawmakers over their high denial rates.

"It's become a game of delay, deny and not pay," Chris Van Gorder, president and CEO of San Diego-based Scripps Health, told Becker's last year before terminating MA contracts for its integrated medical groups.

SCAN was one of the MA payers that Scripps terminated with this year.

"Providers are going to have to get out of full-risk capitation because it just doesn't work — we're the bottom of the food chain, and the food chain is not being fed," Mr. Van Gorder said. "If other organizations are experiencing what we are, it's going to be a short period of time before they start floundering or they get out of Medicare Advantage. I think we will see this trend continue and accelerate unless something changes."

Ultimately, it's the patients who lose out, as MA provides coverage to 51% of the nation's seniors, almost 33 million people.

To compound this issue, MA plans typically receive positive patient satisfaction scores, with high ratings in areas such as trust, ease of doing business, and meeting product and coverage needs, according to an August 2023 study published by J.D. Power.

"The reason for that is there is a higher degree of predictability in out-of-pocket costs. Every MA plan in the country has an out-of-pocket maximum like commercial insurance has, and that affords people a higher degree of predictability in terms of their healthcare expenses," Dr. Jain said. "When you're on a fixed income, it's really important to have that level of predictability in terms of what your costs are going to be, and traditional Medicare doesn't necessarily offer that level of predictability to people."

A survey of hospital CFOs published by the Healthcare Financial Management Association in January found that 16% of health systems plan to stop accepting one or more MA plans in the next two years, while another 45% said they were considering the same but have not made a final decision.

Dr. Jain argues that health systems need to make a firm decision: "Are you in the sick care business or are you in the healthcare business? If you're in the healthcare business, you should be striving to prevent acute care utilization, not driving more of it. And you want to be in a business model that's aligned with preventing acute care utilization, and MA is that model."

Providers need to update their business models to align with being financially rewarded for keeping populations healthy, and there are certainly some investments that are required to make this pivot.

"But the order of magnitude in terms of the investment necessary and the reserves of some health systems is de minimis," he said. "It's really about getting the type of leadership you need in place and empowering those leaders to really manage the population's health."

Dr. Jain argues that the MA program genuinely makes a difference in the lives of older adults — something he says is missing from some systems' value equations.

"If you're a health system exec that's thinking about terminating a program that's used by 51% of the nation's seniors, you have to ask, 'Who is it that you're actually serving, and who are the people that you're trying to serve through your system?' I think a lot of systems thinking about terminating MA aren't necessarily thinking about their mission through that lens."

California Dental Network (CDN) Exiting Non-Commercial/Exchange Business



Dear Valued Broker,

The California Dental Network (CDN), owned by SunLife, will exit the non-commercial/exchange business effective October 1, 2024. While SunLife/CDN will notify clients directly via a letter, the timeline for broker notification is not yet clear.

Key Information:

- **Client Notification:** Carriers that previously partnered with CDN for their DHMO offerings are working with CDN to identify and communicate with impacted clients.
- **Alternative Solutions:** BenefitMall, in coordination with our Carrier Partners, is dedicated to helping you find alternative solutions for your clients.

We will continue to provide updates as we receive them. Please reach out to your dedicated BenefitMall sales team if you have impacted clients and need assistance.

Sincerely,

Mike Suess

mike.suess@benefitmall.com
Market Director
Northern California

Brian Sullivan

brian.sullivan@benefitmall.com
Market Director
Southern California

SUTTER HIRED A RECORD 730 CLINICIANS LAST YEAR, AND WANTS EVEN MORE



By Laura Dyrda

Sacramento, Calif.-based Sutter Health hired 730 physicians and clinicians last year, a systemwide record for a single year.

This year, CEO Warner Thomas said Sutter aims to hire even more. Sutter saw around 100% increase in applications across all disciplines last year, including leaders and nursing.

"We are generating a lot of interest from folks that want to come and join the journey we're on here at Sutter," said Mr. Thomas on an episode of the "Becker's Healthcare Podcast."

Hiring more clinicians will improve access to care and build out clinical depth systemwide. But the work doesn't stop after clinicians are recruited; Sutter's executive team has also focused on building a strong culture engaging clinicians to increase retention.

"We talk about our mission being patients first, people always, and making sure that we are focused on our patients, our communities, and how we help each other," said Mr. Thomas. "That cultural evolution at Sutter has been exciting. We've seen great traction and improvement in our engagement, both our employees, physicians and clinicians across the organization."

The focus on engagement and retention is working. Mr. Thomas said Sutter has seen about a 50% reduction in turnover since the team began its cultural transformation 18 months ago. Sutter is also building academic partnerships in non-physician areas, such as physician assistants, medical assistants, nursing and other clinical disciplines to strengthen the pipeline.

Finally, leadership development is top of mind. The health system doubled down on the physician workforce by creating a plan to grow its graduate medical education by five times as part of the long term strategic plan.

"We instituted a very comprehensive talent management process and succession planning process here at Sutter," said Mr. Thomas. "We are relooking at all of our diversity, equity and inclusion strategies and building a more diverse leadership team, a more diverse population of nurses, physicians and clinicians in the organization. That is critically important to the success of our organization in the future."

CVS Health kicks off multiyear, \$2B cost-cutting effort

By Paige Minemyer

As it seeks to boost its financial fortunes, CVS Health has "identified a multiyear opportunity" to generate as much as \$2 billion in savings, CEO Karen Lynch told investors Wednesday.

Lynch said on the healthcare giant's earnings call that finding ways to trim costs will allow the company to better invest back in the business and drive financial outperformance.

"These savings will be driven by further streamlining and optimizing our operations and processes, continuing to rationalize our business portfolio and accelerating the use of artificial intelligence and automation across the enterprise as we consolidate and integrate," Lynch said. "We will be thoughtful and deliberate as we execute these actions to ensure we continue to meet consumer needs."

Tom Cowhey, CVS Health's chief financial officer, said on the call that the company expects this work to generate \$500 million in adjusted operating earnings next year.

He said CVS is "encouraged" by its push to improve its financial outlook and charge up momentum into 2025 and beyond.

Cowhey said CVS is aiming for double-digit growth and that it will provide further details on progress later this year.

"Those efficiencies are going to allow us to drive results both for shareholders but also invest in our products, processes, infrastructure. We think these are the right things to do," he said. "A lot of them are underway, but we really accelerated our focus on delivering near-term value to help improve our outlook."

CVS slashed its full-year guidance in its second-quarter earnings report as its Aetna unit faces significant challenges with elevated utilization. The performance at Aetna led Lynch and the executive team to oust Aetna President Brian Kane, with Lynch taking a more direct role in the insurer's day-to-day operations.

Lynch said the "financial performance of this business was not meeting my expectations," which drove her to make a change in leadership.

Cowhey said CVS would not parse out where it's expecting to see the \$500 million in savings next year nor what specifically might be attributed to Aetna.

"That's all bottom line," he said.

CVS Health CEO Takes Charge At Aetna After Insurer's Latest Miss

By Bruce Japsen

CVS Health chief executive Karen S. Lynch is taking over "day-to-day management" of the company's Aetna health insurance business after its latest poor performance.

Lynch, who successfully ran Aetna for several years before she was promoted to become CVS president and chief executive in 2021, will oversee the nation's third-largest health insurer with CVS Health chief financial officer Tom Cowhey. Prior to becoming CVS Health's CEO, Lynch was executive vice president and president of Aetna, which was acquired by CVS for nearly \$70 billion in 2018, merging one of the nation's largest drugstore chains and pharmacy benefit operators with one of the country's largest health insurers.

Leaving CVS is Brian Kane, who was hired last year as Executive Vice President and President at Aetna following a stint consulting to private equity firms focused on healthcare services and working as health insurer Humana's chief financial officer before that.

"Based on the current performance and outlook for the Health Care Benefits segment, the Company has decided to make leadership changes effective immediately," CVS said Wednesday in announcing the management changes in the company's second-quarter earnings report.

CVS reported net income fell nearly 9% to \$1.77 billion, or \$1.41 per share, in the second quarter compared to \$1.9 billion, or \$1.48, in the year-ago period thanks largely to a nearly 40% decrease in adjusted operating income in the company's health care benefits segment that includes Aetna and has 27 million health plan members across Medicaid, Medicare and commercial insurance lines of business. Total revenues rose 2.6% to \$91.2 billion.

READ FULL ARTICLE

<https://bit.ly/4cJZ5w8>

SEPTEMBER 2024 Industry Calendar

CONFERENCES

Sept 19-21, NAIFA's APEX 2024 Conference @The Arizona Biltmore, [REGISTER](#)

Feb 3, 2025 @9:30am-4:30pm, CAHIP 2025 Innovation Expo @The Queen Mary, [REGISTER](#)

SEPTEMBER In-Person

Sept 9 @10:00 am-12:00 pm, UHC Orange County AEP Rollout 2025 @DoubleTree by Hilton Irvine, [REGISTER](#)

Sept 10 @8:30am-4:00pm, CAHIP Annual CE Day @Lake Forest Community Center, Lake Forest, [REGISTER](#)

Sept 10 @3:30pm-6:00pm, CAHIP Ventura County Cornhole Tournament @ Topa Topa, Ventura, [REGISTER](#)

Sept 19 @9:00am-12:00pm, CAHIP-LA Mental Health Call-to-Action Meeting! @The Odyssey, Granada Hills, [REGISTER](#)

VIRTUAL EVENTS

Sept 3 @11am-12pm ET, BenefitMall HealthSherpa: Platform Training, [REGISTER](#)

Sept 4 @11:00am-12:00pm ET, BenefitMall Lead Advantage Pro: Platform Training-Sept, [REGISTER](#)

Sept 4 @12:00pm, SutterHealth Understanding Medicare (Sacramento/Yolo), [REGISTER](#)

Sept 5 @11:30am-12:30am, Dickerson: What Advisors Should Know About Open Enrollment, [REGISTER](#)

Sept 5 @12:00pm, SutterHealth Understanding Medicare (Santa Clara/Santa Cruz) Webinar, [REGISTER](#)

Sept 5 @11am-12pm ET, BenefitMall Sunfire: Platform Training-Sept, [REGISTER](#)

Sept 6 @1:00pm-2:00pm, First Friday's Meeting with NABIP President Alycia Riedl, [REGISTER](#)

Sept 10 @10:00am, SutterHealth Understanding Medicare (Sonoma) Webinar, [REGISTER](#)

Sept 10 @11am-12pm ET, BenefitMall New Agent Orientation: Getting Started with BenefitMall, [REGISTER](#)

Sept 11 @12:00pm, SutterHealth Understanding Medicare Webinar (San Mateo/San Francisco), [REGISTER](#)

Sept 11 @2:00pm-3:00pm, WIFS Education Webinar: Breaking Barriers: Achieving Olympic Success in the Financial Services Profession, [REGISTER](#)

Sept 12 @11:30am-12:30pm, SutterHealth-What Advisors Should Know About Health Reimbursement Arrangements (HRAs) [REGISTER](#)

Sept 12 @12:00pm, SutterHealth Understanding Medicare (Placer/Solano) Webinar, [REGISTER](#)

Sept 12 @12:00 pm ET/9:00 am PT, Web Seminar- Do employees like ICHRA? New research reveals what employees have to say, [REGISTER](#)

Sept 12 @11:30am-1:00pm, NAIFA-LA Health Series, [REGISTER](#)

Sept 17 @11am-12pm ET, BenefitMall HealthSherpa: Quote & Enroll Training, [REGISTER](#)

Sept 17 @12:00pm, SutterHealth Understanding Medicare (San Joaquin/Stanislaus) Webinar, [REGISTER](#)

Sept 18 @10:00am-11:00am, Quarterly Medicare Agents Virtual Coffee Chat, [REGISTER](#)

Sept 18 @11am-12pm ET BenefitMall Lead Advantage Pro: Quote & Enroll Training, [REGISTER](#)

Sept 18 @3:00pm-4:00pm, NABIP Medicare Moments, [REGISTER](#)

Sept 19 @11am-12pm ET, BenefitMall Sunfire: Quote & Enroll Training, [REGISTER](#)

Sept 19 @11:30am-12:30pm, Dickerson-What Advisors Should Know About Benefit Captives, [REGISTER](#)

Sept 19 @12pm, SutterHealth Live Medicare Webinar for Alameda/Contra Cost County, [REGISTER](#)

Sept 19 @2:00pm-3:30pm, UHC Orange County AEP Rollout 2025, [REGISTER](#)

Sept 26 @11:30am-12:30pm, Dickerson-What Advisors Should Know About HIPAA for Business Associates, [REGISTER](#)

Sept 25 @5:30pm, SutterHealth Understanding Medicare Webinar, [REGISTER](#)

[Click here to DOWNLOAD interactive eCalendar PDF](#)



CALIFORNIA MUSEUMS FEATURE

By Emma Peters

California offers a dynamic blend of opportunities that make it an exceptional place to work, and play. With diverse landscapes spanning from breathtaking coastlines to majestic mountains and vibrant cities, California caters to a variety of lifestyles. As a hub of innovation and technology, California boasts a robust economy with countless career prospects in sectors like tech, entertainment, and of course many levels in healthcare. Beyond the numerous opportunities to find gainful employment, the state's rich cultural scene, renowned universities, and outdoor recreational activities ensure there's always something to explore and enjoy. California truly offers a lifestyle that combines career fulfillment with an unparalleled quality of life.

In this series, we will highlight some of the opportunities for work, and play that California offers.

Why are we planning to focus on California Positive?

We hope you will take this information to reinforce some of the reasons California is a great place for health and life insurance professionals and your clients.

Some FACTS: With ALL the CA resident licensed life and health insurance professionals subscribing to Cal Broker, we want you to appreciate that you and your colleagues make an impact on Californians. Our subscribers insure 75% of the small businesses and 77% of the individuals, both Medicare and IFP members in the state of California.

Southern California will be abuzz with art this autumn, as the landmark event PST ART returns. Kicking off September 15 at the LA Memorial Coliseum with a daytime firework display by artist Cai Guo-Qiang, the five-month event presents over 70 exhibitions at cultural institutions across the region, featuring 800 artists and one theme: Art & Science Collide.



Iris, 1889, Vincent van Gogh. Oil on canvas, 29 1/4 x 37 1/8 in. Getty Museum, 90.PA.20

PST ART:

Art & Science Collide is a Getty initiative that creates civic dialogue around some of today's most urgent issues by exploring past and present connections between art and science in a series of exhibitions, public programs, and more. Topics range from climate change and environmental justice to the future of artificial intelligence and alternative medicine. The *Museum of Contemporary Art San Diego* will present the first exhibition to survey themes of illness and impairment in American art for the 1960s up to the COVID-19 era, The *Palm Springs Art Museum* will examine how modern physics impacted the development of abstract art in postwar Southern California, the Lancaster Museum of Art and History will investigate the plight of Joshua Trees, and the Wende Museum in Culver City traces the historical roots of modern surveillance devices.

The Getty Center in Los Angeles will present eight PST ART exhibitions and two special installations. From a major international loan exhibition, *Lumen: The Art and Science of Light*, opening September 10, which examines how the science of light impacted art and religion during the "Long Middle Ages" to *Ultra-Violet: New Light on Van Gogh's Irises*, opening October 1, which reconsiders the original appearance of Getty's famous Vincent van Gogh painting, *Irises*, the museum anticipates its exhibitions will fascinate visitors with new explorations tied to an exciting theme.

Learn more about PST ART and its many exhibitions and programs at pst.art

WORK:

Working in California museums offers a unique blend of opportunities and challenges, shaped by the state's rich cultural diversity, innovative spirit, and complex logistical landscape. California, known for its vibrant art scene, groundbreaking scientific research, and diverse history, provides a dynamic backdrop for museum professionals across various fields.

Diversity of Institutions

California's museum landscape is incredibly diverse, ranging from world-renowned institutions like the Getty Center and the San Francisco Museum of Modern Art to smaller, community-focused museums and historic sites. This variety means that museum professionals can find roles in art, history, science, and cultural preservation, each with its own set of demands and rewards. For example, curators at the Getty might focus on European art and conservation techniques, while those at the California Science Center work on interactive exhibits related to space exploration or environmental sustainability.

Innovation and Technology

One of the standout features of working in California museums is the emphasis on innovation. Many museums in the state are pioneers in integrating technology into their exhibits and operations. This includes augmented reality (AR) and virtual reality (VR) to create immersive experiences and employ advanced digital tools for collection management and visitor engagement. Museum professionals in California often have the chance to work on cutting-edge projects that push the boundaries of how museums interact with the public.

Cultural and Educational Impact

California museums play a critical role in education and cultural enrichment. They serve as centers for learning, offering educational programs that cater to students of all ages. For instance, the California Academy of Sciences provides hands-on science education, while the Museum of Tolerance focuses on human rights education. Working in these institutions involves developing educational materials, coordinating school programs, and engaging with local communities to foster a deeper understanding of diverse subjects.

Challenges and Opportunities

Despite the many opportunities, working in California museums also comes with its challenges. The cost of living in major Californian cities, such as Los Angeles and San Francisco, can be high, which

affects salaries and job security for museum professionals. Additionally, the competitive job market and reliance on grants and donations for funding can create job instability. Museum staff must often wear multiple hats, juggling responsibilities from curating to event planning, which can be both demanding and rewarding.

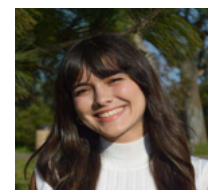
Community Engagement

California's diverse population means that museum professionals frequently engage with a wide array of communities. This diversity enriches the museum experience but also requires a nuanced approach to programming and outreach. Professionals must be adept at understanding and incorporating different cultural perspectives, ensuring that exhibitions and educational programs are inclusive and relevant. This engagement often involves collaborating with local artists, historians, and community leaders to create exhibitions that resonate with diverse audiences.

Personal Fulfillment

For many, the personal satisfaction derived from working in a museum comes from the opportunity to contribute to the preservation and interpretation of cultural and historical heritage. California museums often offer staff the chance to be involved in significant projects, from mounting major exhibitions to participating in conservation efforts. The ability to educate the public and inspire curiosity about art, history, or science provides a deep sense of purpose and fulfillment.

In conclusion, working in California museums is a dynamic and multifaceted experience, shaped by the state's innovation, diversity, and cultural richness. While the role comes with its set of challenges, such as high living costs and job competition, the opportunity to engage in groundbreaking projects, foster community connections, and contribute to educational and cultural initiatives offers a uniquely rewarding career path.



Emma Peters is a media intern at *California Broker Magazine*. She recently graduated from Point Loma Nazarene University *summa cum laude*, with a Bachelor of *Arts in Literature* and a minor in *Humanities*.

Sources:

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EMPLOYEE BENEFITS

A NEW FRONTIER OF EMPLOYEE BENEFITS

By Joe Russo



IMPAIRED RISK DISABILITY

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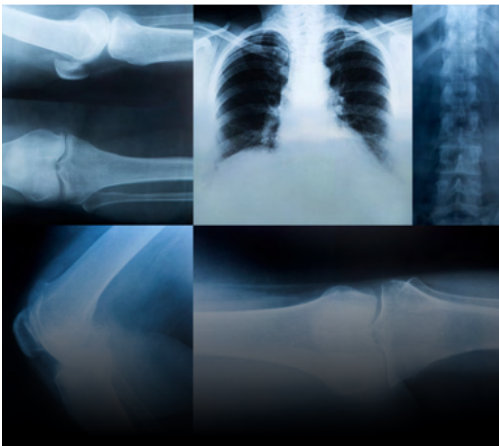


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The employee benefits market, although mostly rewarding to its advisors, continues to be a complicated and sometimes muddled playing field. American companies, no matter their size, are at times being forced to provide benefits which they can hardly afford, and compliance and management headaches have surpassed most common levels of reason. Human resources personnel and employee benefits managers have their hands full in terms of rules, regulations, compliance and industry mandates.

Insurance agents and benefits advisors are readily encountering incredible difficulties with the introductions or mere suggestions of new employee benefits programs to their corporate clients and leading prospects. The monetary costs and man hours needed to successfully implement a comprehensive and beneficial insurance program can be egregious and many times prohibitive even if the results promise to be fantastic for all parties involved. Simply the thought of implementing a new program is often bothersome to veteran HR managers.

Like all insurance purveyors, employee benefits advisors face roadblocks. However, there are benefits programs out there that are cost-effective and materialize more readily than those made available by traditional benefits carriers.

One such program is excess Guaranteed Standard Issue (GSI) disability insurance. It is logistically efficient and a very economical method for business owners to sufficiently insure themselves and their employees against disablement and the subsequent eventuality of loss of income. It is also an incredible door-opening sales tool and commission earner for insurance agents. GSI coverage is multiple-life, high-limit disability insurance that can be placed on top of traditional group disability plans and individual income protection policies without typical requirements of intrusive exams, blood draws and urine tests.

Excess GSI is the fastest growing product line in the personal accident sector of the historical and revered Lloyd's of London insurance marketplace. Premium production volume of this specialty-market benefits program has eclipsed industry expectations over the years due to its simplistic and attractive nature, allowing high limits of specialty-specific, "own occupation" disability insurance without an advisor having to put clients through extensive medical underwriting. And HR teams often praise the ease of implementation to their employees as well as the efficiency of the online enrollment platforms offered by most marketing and underwriting outfits.

Even group size requirements are almost negligible. Comprehensive disability plans can be offered to a company with as few as three qualifying members, and the GSI products have evolved into flexible benefits platforms that are usually molded to compliment any existing policy of underlying group long-term disability and/or personal disability.

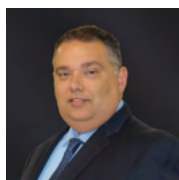
Specialty-market underwriters are offering coverage options on a mandatory, voluntary basis, as well as a contemporary hybrid chassis, marrying the benefits of both mandatory and voluntary plans into one seamless benefits program. As a multi-life product, the GSI individual certificates are typically portable for the insured employee and the group discounts are significant.

This type of program is a good sell to business sectors that truly value and are receptive to generous levels of income protection insurance. Most Americans fail to carry sufficient levels of disability insurance, making multi-life excess disability insurance an important choice for employee benefits experts. This platform is a perfect fit for corporations who have responded well to group DI, but whose higher income earners don't carry enough coverage to meet the industry suggested standards of 65% to 75% of insured income.

High-limit, excess GSI insurance is of course an obvious and natural pairing for law firms, hospitals, dental and medical practices, but the industry continues to see increasing interest and policy take-up among accounting firms, technology companies, banks, architecture firms, high finance institutions and many other large, medium and small businesses with populations of high-income earners in need of more substantial levels of disability insurance.

Successful exploitation of GSI business continues to grow and evolve. The market potential is astronomical. There are thousands of American businesses with employers, partners and employees whose incomes are not sufficiently insured through traditional disability channels.

Even if you specialize in individual insurance sales, don't balk at investigating. Take a chance. The secret to success in the GSI disability market can be found within your own client files. Your existing clientele hold the key to turning a lucrative excess individual disability sale into a windfall by placing an excess multi-life disability policy. Your loyal clients have colleagues and bosses that will be ecstatic to learn about GSI coverage with its ease of issuance, policy retention and huge group discounts. GSI allows you to provide large disability benefits to underinsured persons on a guaranteed-issue basis at discounted premiums. From a marketing and sales perspective, this form of employee benefits program opens the door as an advisor to turn a referral into further communications with an influential HR department or a board of directors.



Joe Russo is a sales and marketing specialist at Petersen International Underwriters. He is also the editor-in-chief of their publication *The Communicator*. Russo can be reached at:

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Educating Clients On The Life Settlement Option

Forbes recently published a good article about educating clients on life settlements. It described the history of life settlements, and what the market looks like today. More importantly, it highlighted the need to be proactive and the importance of educating clients. Highlights and the full article are below, or summarized in this **[brief video](#)**:

The article emphasizes, if you have clients asking you what options are available to them with respect to their life insurance policies, talk through the following scenarios with them:

- ✓ **What happens if they let the policy lapse?**
- ✓ **What happens if they surrender the policy?**
- ✓ **What happens if they take out a loan against the policy?**
- ✓ **What happens if they reduce face value?**
- ✓ **What happens if they sell the policy?**

If not you, then who? With buyers advertising on TV, radio and the internet, the need is even greater for you to educate clients, so they call you instead of someone else. If they call a buyer direct, not only will that cut you out, but your client will probably also undersell their policy - not a good outcome for either of you.

Click here for the full article: **[Educating Customers On The Life Settlement Option](#)**

If you would like a marketing piece to educate your clients, we just had one developed. It is a fillable PDF. All you do is add your contact information onto it, save it, and you have a personalized education piece for your clients. Let me know if you would like it, and I would be delighted to email it to you.

We're here to help. As life settlements brokers, we're here with a fiduciary duty to clients to maximize the value for their life insurance policy. As your client wins, so do you with commission from the sales, and additional product sales.

Please feel free to contact me with any questions or to discuss your client's policy at any time.

Thank you for the opportunity to be of service! Wishing you a great day!



Rehburg Life Settlements

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Life Insurance Settlements



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When You Collaborate with BenefitMall Your Client's Win

By **Hadley Weiler**

Regional Vice President, BenefitMall

The employee benefits insurance industry in California is currently experiencing significant changes driven by evolving regulations, rising healthcare costs, and a growing emphasis on employee well-being. With California's progressive stance on healthcare and employee rights, the industry faces increasing pressure to provide more comprehensive and personalized benefits packages.

One key opportunity in the industry is the growing demand for mental health and wellness benefits. With the ongoing stress from economic uncertainties and the lasting impact of the pandemic, employees are increasingly prioritizing their mental and emotional well-being. Another opportunity for brokers is the mergers and acquisitions that exist in our industry.

As more and more employers take their businesses out of California and hire associates all over the country and as COVID has evolved the business into being more virtual, employers' needs and those of the brokers to serve them, create problems requiring multi-state and national solutions. BenefitMall is well-positioned to assist brokers and their clients with solutions in virtually every state due to our national presence.

BenefitMall simplifies the complex benefits landscape, enhancing broker productivity and client service. Our mission is to provide the fastest, easiest, and most trusted benefits-selling experience.

BenefitMall supports the broker and their clients beyond traditional General Agency services centered on what matters most

to our partners. These additional BenefitMall divisions of support include PEO, Account Services (where we take on many of the account management services brokers need to serve their clients), Self-Funded, Individual and Senior, Large Group, and Value-Added Services. Our true national and regional presence opens the door to carrier and product access, broker support and technology integration, education, and compliance. Services are backed and powered by our quoting and enrollment tools, but what matters most is the dedicated BenefitMall teammates (our people) who partner with our brokers. On top of that brokers can gain access to our CRC.

Group family of partners offering property and casualty, life, annuity, disability, LTC, and unique specialty lines. We are a true single-stop shop delivering the broadest array of products and services in the marketplace.

Similarities/Differences of Northern & Southern CA Markets

Similarities

- **Regulatory Environment:** Both markets operate under the same state regulations.
- **Plan Offerings:** Major carriers typically offer plans across both regions, ensuring some consistency in available products.
- **Both offer traditional HMO, PPO, and Self-Funded offerings**



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Differences

- **Carrier Presence:** Some insurance carriers have stronger networks and more plan options in one region over the other. Traditional HMOs in the South vs. PPOs in the North.
- **Provider Networks:** The concentration and availability of healthcare providers can differ.
- **Market Competition:** There is often more competition among carriers in Southern California, which can lead to more aggressive pricing compared to Northern California.
- **Funding Preferences:** Northern California employers and brokers tend to embrace Level-Funded plans much more eagerly than those in Southern California.

BenefitMall keeps brokers informed on trends through regular updates, training sessions, online resources, carrier partnerships, market analysis reports, and broker advisory councils, led and managed by their dedicated back-office support. BenefitMall also provides industry-leading support in matters of state and federal compliance with the foremost experts in the business.

Stay informed about carrier-provider relationships.

Partnerships matter, analyze network strengths and gaps, leverage carrier tools and resources, provider search tools, network expansion, and unique plans. By staying proactive and well-informed about carrier and provider network dynamics, brokers can provide exceptional service and secure the best possible outcomes for their clients. And that level of being informed is just a phone call, email, or text away from your support team at BenefitMall. The job of being a Benefits Advisor is tough. You need a resource to be able to find the right solutions to your clients' problems and that is where we come in. We are that resource, and we take that responsibility very seriously.

BenefitMall tailors its support to meet the diverse needs of brokers, whether they are seasoned professionals or newcomers to the industry.

Each broker is unique, and so are we. We offer advanced tools and resources for the more experienced (always with a dedicated sales and service partner) and simplified tools and guides for the more inexperienced. We assist every step of the way. By offering tailored resources, education, and support structures, BenefitMall ensures that both experienced and newer brokers receive the assistance they need to succeed in the competitive insurance market. Since the pandemic, the management of group benefits has undergone several significant changes, particularly in the areas of open enrollment and ongoing service work.

Digital transformation and virtual engagement.

One significant shift has been the move to virtual open enrollment sessions. Employers and brokers have had to adopt digital platforms to conduct enrollment meetings and use digital tools for decision-making. The pandemic accelerated the adoption of online tools and platforms that allow employees to compare plans, calculate costs,

and make informed decisions without in-person assistance. These tools often include AI-driven recommendations and personalized options based on individual employee needs, including online benefit administration platforms to manage enrollment and day-to-day activities.

We also must see the adaptation to remote work. The shift to remote and hybrid work environments has impacted how benefits are administered and utilized. Employees working remotely need access to benefits information and services online, leading to more robust digital infrastructures and support systems. With more employees working from different locations, there is also a need to consider how benefits are offered across various states or regions, ensuring compliance with local regulations and providing access to relevant healthcare providers. These changes have required us all to be more agile, technologically savvy, and employee-focused, ensuring that group benefits are both accessible and relevant in a post-pandemic world.

With a dedicated focus on the broker community for over 40 years, BenefitMall empowers brokers with access to over 200 carrier partners and leverages innovative technology—backed by our human expertise—to provide the very best in broker services nationwide.



Link to BenefitMall's broker page:

[Premier Broker Support - BenefitMall](#)



Hadley Weiler joined BenefitMall in 2017 and serves as the Regional Vice President, Western Region, which includes Arizona, California, Colorado, Nevada, Oregon, Washington, Alaska, and Hawaii.

Prior to joining BenefitMall, Weiler served as Executive Director of Sales for LISI, Territory Sales Manager for Colonial, and General Agent Manager/Sales for Aetna. With more than 26 years of experience, he has led and developed sales teams in the General Agency and carrier spaces, while maintaining strong broker and carrier partnerships.

Weiler earned his Bachelor of Arts degree in Communications from Brigham Young University. Weiler is a member of the National Association of Benefits and Insurance Professionals (NABIP) and California Agents & Health Insurance Professionals (CAHIP). He and his wife Heather reside in Sacramento with their three children and two dogs. The family enjoys spending time outdoors and can often be found on the Rubicon trail, hiking or skiing in Lake Tahoe.

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Three Things Every Broker Needs to know about IFP

By Maleigha Ponce

Individual and Family plans are a necessary line of business; however, many brokers find the inner workings can often be enigmatic. As someone who has worked in both small groups and Medicare alongside IFP, it can often be confusing and daunting, but it can also be a great tool. Below, I have highlighted some ways that you can expect IFP to be different, and how you might be able to prevent some headaches.

You can expect less leeway from carriers. If you are a broker advising the transition of an IFP client into group or Medicare, you shouldn't expect that carriers will bend any rules. For example, in the group world, the carrier will often allow the retroactive starting or canceling of a policy to coincide with another policy. This feat is harder to achieve on the IFP side, so please keep that in mind when advising a client on when they should cancel any other coverage.

To paint a real-world example, I had an off exchange IFP client transition into group, with myself as the broker for both policies.

We wrote the new policy on 12/10 for a 12/1 effective date.

Though he was told he could retroactively cancel, because the request was submitted too late in the month for their taste, it was not honored, and the client lost over \$1000 in premiums.

Additionally, if the client is enrolled in a marketplace plan through Covered California, the carrier is often unable to change things like effective/cancellation dates, contact information, SEP underwriting etc. Any rate and plan changes are also handled under the jurisdiction of Covered California. This means that if there are any discrepancies, the carrier will often not be able to help unless directly told to do so by Covered California.

As of January 2023, your group client may be able to utilize Covered California premium assistance for their dependents even with an offer of coverage from the employer. This was previously not possible due to the family glitch, a gap in legislation that forbade anyone with an offer of coverage from utilizing the program, even if that offer was considered "unaffordable" under IRS guidelines. For 2024, to remain "affordable" employee only coverage is not to exceed 8.17 percent of the household income while dependent coverage is not to exceed 8.39 percent.

To see if an employee qualifies for any subsidy, you must gather some information. You will need to know the adjusted gross income of their tax household for the year you are seeking benefits. You will also need to know the premium for the lowest cost employer sponsored plan offered after contributions. The eligibility for the employee and their dependents is considered separately, meaning you will need to know what the premium costs for dependents alone would be. To see what this might look like, see the example below:

“John is an employee who makes \$65,000 a year. His wife, Sarah, is a stay-at-home mother who takes care of their 2 children. John’s employer offers employer sponsored coverage, and they pay for 100% of the lowest cost plan they offer, which John is currently enrolled in. However, to put Sarah and the kids on the plan, it would cost \$500. Because the dependent coverage would be 9.23 percent of their household income, Sarah and the kids could be entitled to receiving premium assistance through the marketplace.”

On the Medicare side of things, a consumer cannot be enrolled in a marketplace plan while enrolled with Medicare. They can, however, utilize Covered California to submit their case to Medi-Cal, if they believe themselves to be eligible. They can then use this eligibility to enroll in a D-SNP. Also, their dependents can still apply for the premium assistance program, even if the parent(s) do not qualify. If you have a client who does not qualify for free part A, they can choose to enroll in a Covered California plan with subsidy, in lieu of enrolling in part A. They may still face the part B late enrollment penalty if your client chooses this option.

If you think your client might benefit from enrolling in a Covered California plan, I recommend working closely with a licensed enroller. Failure to verify correct eligibility when receiving premium assistance can affect the client’s taxes and may even incur repayment of the assistance.

Many brokers realize that the rates and benefits for group ancillary benefits tend to be better than the IFP market, but I think it is important to view individual benefits as a third option when presenting to employers. If presented as an option alongside both employer sponsored and voluntary benefits, you can provide a more comprehensive array of products. However, it is important to note that ancillary benefits operate slightly differently on the IFP market.

One advantage that group benefits have is the ability to skip the waiting period for certain services on PPO plans, and this is an option in IFP as well for some carriers. To waive this period, they will require proof of prior coverage for a determined amount of time, usually 12 months, and either an EOC or SBC. Another benefit is on the payroll side, where group premiums can be deducted on a pre-tax basis, which can add savings to the already slightly more affordable premiums. Additionally, some lines of business, like disability, are essentially nonexistent on the open market, or if they do exist, they require extensive underwriting. Finally, if an employee has many dependents, it can be much more cost effective on a group plan, because individual plans do not follow the same rate schedule. On individual plans, each life is accounted for in an equal premium amount, versus an Employee + Family rate, for example.

However, in some cases, there might arise a need for these products. Adding knowledge of these products also allows you to expand your offerings to employees who may not meet the requirements to be offered employer sponsored coverage. You can also offer a greater variety of products, especially if the employer only wants to offer richer, more expensive plans and the employee wants a more affordable plan for their dependents.

In conclusion, it is important for every broker to have a baseline knowledge of individual and family plans. To go without this knowledge may leave your clients with gaps in their coverage or with unnecessarily high costs. Whether you choose to be the broker for these products, or to work alongside another knowledgeable colleague, having the ability to cover all aspects of your clients’ needs will leave them feeling secure in your abilities.



Maleigha Ponce has worked extensively with IFP and small group plans and prides herself on keeping up with new legislation, Covered California updates, and small group trends. If you are a business owner and looking for health coverage, or to compare your current coverage, please feel free to reach out to the contact info below:

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714-315-3148



California's Minimum Wage Increase is Affecting Employee Health Benefits

By **Andy Bonner**

President & CEO, Healthcare2U

According to a 2022 KFF Employer Health Benefits Survey ⁽¹⁾ annual premiums for covered workers in California averaged \$8,083 for single coverage and \$22,818 for family coverage. According to a recent study from the Legislative Analyst's Office ⁽²⁾, employee-sponsored health plans are the most common form of coverage in California.

In April of 2024, California law raised the minimum wage for fast food employees to \$20 an hour, leaving the restaurant industry as one of the most significantly impacted by this decision. Outlined in a survey of 182 restaurant operators by the Employment Policies Institute titled Crisis in California ⁽³⁾, are some key findings.

- 98% raised menu prices
- 89% reduced employee hours
- 75% say the number of employees will decrease
- 74% say there is an increase in the likelihood of shutting their restaurants down
- 70% reduced staff or consolidated positions
- **35% limited supplemental employee benefit programs**

As a benefits agent, you understand the challenges employers face when deciding on health benefits packages for their workforce. Often, this decision is based on affordability. As a result, many employers offer high deductible plans to minimize their premiums, and, in most cases, pass those costs onto the employee. When an employee is responsible for paying a high deductible, they're left functionally uninsured. In this scenario, they are responsible for fees associated with their doctor visit before they meet their deductible. This can result in employees opting to avoid seeing a doctor rather than pay their visit fee out of pocket, potentially leading to a more serious health condition down the road.

An alternative to health insurance that has been growing in both popularity and acceptance in the past decade is membership-based Direct Primary Care (DPC). A leader in this space is Healthcare2U. With a reach across all 50 states, Healthcare2U members have access to primary care services anywhere in the nation for a low monthly fee. When Healthcare2U's DPC membership is bolted onto a health plan, or used as a standalone offering, employers can provide an affordable option, and employees benefit from dollar-one coverage. DPC is an immediate claims-free solution to affordable care. Because DPC shields health plans from claims generated by the traditional fee-for-service model, employers can experience substantial savings.

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Healthcare2U offers a bilingual Patient Advocacy Line (PAL)^(TM) staffed by a team of medical professionals who triage and navigate members to the best option for their healthcare needs. Healthcare2U members have access to board-certified physicians or internists and benefit from:

- Unlimited in-office doctor visits, Unlimited urgent care visits
- Unlimited immediate virtual care visits
- Appointments within 1-2 days
- Acute care
- Treatment and management of the 13 most prevalent chronic disease states

DPC is changing the healthcare landscape while saving employers money. Because Healthcare2U's DPC membership addresses 80-85% of acute care and chronic disease management, these visits do not generate a claim against an employer's medical plan. This potentially leads to a stop-loss carrier reducing their aggregate factors in a self-funded scenario.

Employers who adopt DPC models can experience significant cost savings. By providing their workforce with DPC, employers benefit from a reduction in the utilization of urgent care and emergency room visits that would typically become a claim. Our DPC model emphasizes preventative care, early intervention, and detection of serious health issues. Our physicians treat and manage 13 chronic disease states, leading to a reduction in visits to a specialist and those incurred costs.

DPC boosts productivity by reducing absenteeism since healthier employees mean fewer sick days. With quicker access to care, employees spend less time away from work. For the employer, this can negate the risk of a sick employee coming to the office and possibly spreading a virus that will result in lost productivity due to coworkers also getting sick. With DPC, employees enjoy same-day or next-day appointments, extended consultation time, and shorter wait times coupled with better care access.

Because Healthcare2U is a non-insurance membership, we do not follow the same rules as insurance products. Healthcare2U solves affordability, accessibility, and healthcare equality issues. This allows you to mine your existing book of business and uncover lost revenue while providing a needed solution for the opted-out, benefit ineligible, 1099, and part-time status employees.

Offering DPC demonstrates a commitment to employee health, making employers more appealing to potential hires and helping retain existing employees. In today's job market, comprehensive health benefits like DPC can provide a competitive edge.

As you've read, Healthcare2U's DPC provides cost-effective healthcare solutions, reducing overall expenses for employers while

offering financial predictability with fixed monthly membership fees. Claims diversion in the first year can be between 13-25% inclusive of our membership fees. Our no-claims solution allows you to benefit from a monthly per employee per month (PEPM) marketing fee for those enrolled in Healthcare2U's DPC offering, creating a steady stream of additional income for you.

Direct primary care offers numerous benefits for brokers that allow them to stand apart in a crowded market while boosting client relationships. Offering DPC to an employer provides their workforce with better care and long-term health improvements. This leads to better management of their health conditions in the primary care setting before they become a shock claim. By offering customized healthcare solutions that meet specific client needs, brokers can foster stronger relationships and build trust. Including DPC in your portfolio allows you to differentiate yourself from competitors who only offer traditional insurance plans, positioning you as forward-thinking and knowledgeable about the latest healthcare trends.

Over the last 11 years, Healthcare2U has built many custom solutions with TPAs, Distributors, and Carriers. These solutions include unique products with our DPC embedded in them, such as MEC, MVP, RBP, level-funded, and self-funded products that our broker partners can engage in today. We have a catalog of products and services to help you bundle the best solution for your clients.

Watch broker testimonial

Our focus on preventive care and chronic disease management leads to better health outcomes for employees and potentially lowers long-term costs for employers. As mentioned, healthier employees result in reduced absenteeism, which can be a compelling selling point for brokers.

Offering DPC as a benefit can help employers attract and retain top talent, enhancing the appeal of the broker's services. DPC provides comprehensive and convenient access to healthcare, improving the overall employee experience and satisfaction. For brokers, staying informed about DPC helps expand their expertise and knowledge base.

The growing need for affordable healthcare solutions presents a prime opportunity for brokers to capitalize on Healthcare2U's DPC offering, enhancing both business growth and client satisfaction.



[Click here to get started](#)



Andy Bonner is the President, CEO, and co-founder of Healthcare2U. Andy's passion for solving the healthcare challenges facing Americans today stems from a successful battle with cancer in 2006. While Andy's journey is a lucky one, it set him on a path to analyze how primary care and wellness are delivered. His journey led to the creation in 2013 of Healthcare2U, which provides affordable membership-based primary medical care, wellness, and chronic disease management. Andy is dedicated to improving the quality and accessibility of affordable healthcare by developing innovative services and cost structures that challenge the traditional models of how programs are purchased and consumed.

Sources:

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Shield Employers from Rising Healthcare Costs

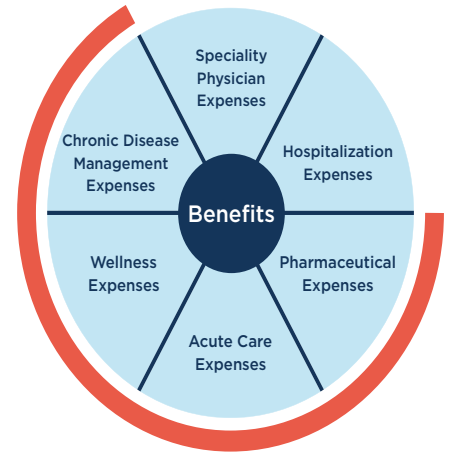
Broker Benefits

- Increase your revenue by getting money for each employee that joins
- Off-cycle implementation

Employer Benefits

The DPC Shield

Our alternative shields employers from claims against their traditional health insurance plans.



Member Benefits

- **Unlimited** acute care
- **Unlimited** urgent care
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- **Unlimited** chronic disease management



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We detect & treat 13 of the most prevalent chronic conditions such as diabetes, depression, and more.



Map of Clinic Locations
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Medical • Dental • Vision • Disability • Life

Get To Know



CalCPA Health

By Genna Armanini

If you have not worked with CalCPA Health before, now is the time - especially with open enrollment season upon us.

Background

In 1959, the California Society of Certified Public Accountants (CalCPA) established CalCPA Health to give its members exclusive access to quality health plans. Recently, CalCPA expanded their memberships to financial service firms, which you can think of as firms that “touch money,” i.e. Wealth Managers, Financial Advisors, Fiduciaries, and Mortgage Brokers, to name a few.

CalCPA Health provides employee health plans to California CPAs and financial service firms of all sizes. Small employers have access to the same benefits, provider networks, wellness programs, and services as large employers. CalCPA Health is a licensed carrier in California authorized to write medical, dental, vision, life, and LTD plans. Our financially oriented clients understand the advantages of HSA plans, so we have responded with the state’s largest offering of HSA plans.

Our unique integrated HSA administrative capability makes it simple for employees to manage their claims and employers to manage eligibility.

Here are a few other reasons to tell your clients about CalCPA Health:

- 40+ medical plans available
 - * PPO, EPO, HSA & HMO
 - * Dental; Vision; Long-Term Disability and Life
 - * One point of contact for all lines of coverage – ONE bill
- Largest provider networks available in CA:
 - * Anthem Prudent Buyer (large group)
 - * Delta Dental and Vision Service Plan (VSP)
- Complimentary COBRA administration
- Fully integrated Health Savings Account (HSA) administration
 - * Largest offering of HSA plans available in California
 - Seven PPO HSA Deductibles 1600, 1800, 2000, 3000, 3900, 5000, 6350 (3000 also available in EPO)
- Spousal Medicare Eligibility Extension
- Level seven percent commissions (first and renewal) 2-50 small group
- A long history of stable premiums - 3.4% average rate increase over the past 9 years

Participation in CalCPA Health is available to California-based accounting, general financial services, and related business services firms that are members of CalCPA.

- Owners-only firms can be written as a small group
- Owner and W-2 Spouse can be written as a small group
- Premium rates are based on the employee’s ZIP code (not the firm’s ZIP)

Market Opportunity

There are over 6,500 CPA and financial services firms in California.

While CalCPA Health is a program many brokers have been aware of for years, these numbers show a tremendous opportunity to add a new client.

Prospecting is straightforward: networking of existing business clients. Every one of your existing business clients has a CPA / financial services firm to offer this unique and exclusive health and benefits plan.

Broker Testimonials

“I focused on a handful of CPA firms in my area with the goal to present this solid program. I asked my current group clients who they use for CPA work and was able to get ten leads. Now I plan to reach out to financial planners who qualify, so I will circle back to my group clients and get connected with their 401K contacts. My goal is five new clients on CALCPA HEALTH in 2024.” PJ

“Working with CalCPA Health has been invaluable and a key differentiator for our company over the years. We present the program to every CPA firm we work with, proud to offer a unique solution tailored to their needs. The support we’ve received from the CalCPA Health team has made it an essential part of our employee benefits offerings.”

Ron Bland, President, Advanced Estate & Insurance Services, Inc.

If your clients and prospects meet the industry/ membership criteria for CalCPA Health, you owe it to them to run a proposal for them.

2024	2.50%
2023	5.10%
2022	7.20%
2021	5.00%
2020	5.60%
2019	3.49%
2018	2.50%
2017	-2.75%
2016	2.00%
9-Year Average	3.37%

CalCPA Health Rate Stability Table
(DOI filed avg small group)



Genna Armanini is the Marketing Director of CalCPA Health, a California domiciled carrier providing health plans to CPA and financial services firms. Genna has worked at CalCPA Health for over 23 years, growing brand awareness, helping maintain high retention, and enabling subscribers to become strong advocates for their health and well-being.

CA License #4386816

To find out more about what CalCPA Health has to offer your clients, please visit us at:

www.CalCPAHealth.com/CalBroker
info@CalCPAHealth.com
866-954-7406



Be Your Client's Trusted Advisor

By Phil Calhoun & Carmen Ponce-Robiatti

It is fortunate when health insurance professionals have many resources at their disposal that can help them grow in their role as a trusted advisor for their clients. It is not always what you know, it is who you know that can make the difference. In many client situations it takes a few colleagues in the industry to solve a client's problem. In all cases doing the work to help your clients starts with listening intently when your client expresses their needs. Active listening leads to clearly defining the problem. Next, you will work with your contacts to gather workable options that can lead to potential solutions. The goal is finding the ideal solution that will right the wrong and solve your client's problem. Arriving at solutions to problems you are familiar with, as well as those never directly seen, involves a similar process.

This process is what can be described as the art of our business. First, we started with listening to what is happening with our client and then we move to collaborating with colleagues to gather ideas that may lead to the solution.

Often clients' issues are initially expressed with frustration, and far too often clients reach the point of anger with who or what they see as the cause. Move from being part of the problem to the solution provider, even if you do not have the answer, you will find the

answer. In many situations you may know the answer and just need someone at the carrier level or healthcare provider level to do the work you know is needed.

Over time and with experience, a great practice is to make key connections with collaborative partners so you can build your network with people you know you can access and get answers and help you provide solutions for your clients.

Some of the best collaborative resources available are people you do business with. From the carrier reps to the GA or FMO, your relationships will be the key. A solid carrier rep is priceless as is a great GA or FMO rep. Only tough part of this industry is when your contact gets promoted or they jump to another career or position and are no longer accessible to you. Staying connected with your reps and getting to know your Plan B should your number one move on is deep planning and the longer you are in the industry the more one understands that the best of the best is a rep who knows their plans and the coverages but is also knowledgeable about plan networks. A bonus is when your contact also understands the plan limitations and the helpful inside scoop about the on the ground knowledge of the various networks and how to access the tests and treatments a client needs. Carrier's reps are especially helpful when it comes to solving client issues that in some cases are caused by the carrier staff. Often the true solution comes from the rep having a connection with the head of the department that may have the answer and can override a decision made at a lower level. In a few cases when an employee may have caused the problem you need to reach a higher level contact.

A valuable contact to have is a solid rep from a general agency.

Health insurance professionals need connections so building these relationships over time and with mutual professional respect is the goal. Word to the wise, do not burn bridges and keep the relationship professional and friendly.

One example of taking on the role of trusted advisor who listened to clients and sought the help of plan reps and GA reps to develop a solution for their client is when Carmen, as the VP of Group Benefits, saw a pattern with Anthem members. “An unusual number of clients contacted me with the same type of problem. The trend common with five clients was how they all were sent letters with new ID cards with new PCPs because network changes occurred. Providence no longer accepted IFP members and sent out these letters. The problem was these clients were employed and had group coverage.” Carmen shared. She realized that this was unusual and then started doing the research. Seeing is believing so first Carmen asked to get a copy of the letter. Then she shared the letter with the GA, plan rep and the medical group to see what they knew about this. Carmen realized that for some clients and family this was significant. Pregnant mothers, anyone in the treatment process, medication changes and getting scripts filled at the pharmacy were some ways clients experienced this change.

Here is the flow of Carmen’s work as she took action:

- 1 Called carrier rep. to learn more.**
Rep did not know about this.
- 2 Then she asked the GA rep. to learn more.** In many situations it is expected brokers would have had clients call but not that case. Rep did not know.
- 3 Finally, an official word came out.**
The confirmation from “the Vivity plan” was that the MDs were still in network for small group. This came in the form of an email, so this established a fact pattern.
- 4 So, the good news is the communication to members was in error.**
Carmen is focused on damage control.
- 5 Problem/Cause:**
IFP left Providence and an OPTUM system glitch caused a reassigning of PCPs small group. A tech mistake but caused by date entry.

- 6 Concern**
Rep took two weeks to provide why this happened.
- 7 Carmen realized she needed to get to why this happened so the extent of the issues could be determined.**
- 8 Carrier and GA did not know about it, then 2 weeks after learning about the issue which was a concern.**
- 9 Carmen acted, but she realized the carrier rep was unable to fix the problem.** Carmen acted and went online to the Employer portal and updated the PCP and medical group to reflect the employee’s preferred PCP. Carmen took full responsibility for fixing the problem for the employees who contacted her. She used an online agency system to make sure other employees were not impacted and fixed their PCP problem.
- 10 Carmen then circled back and checked online to see if any other Anthem Vivity clients were impacted so she could help return them to their PCP. and fixed their PCP problem.**

This article is one example of the service work most health insurance professionals manage weekly. For your clients it is reassuring to them to have a trusted advisors who are capable, concerned, and willing to take the time and effort to resolve a client’s benefits issue.

Carmen’s Monthly webinars on Customer Service topics will return early next year.

*Best to all during
AEP and Open Enrollment season.*



Carmen Ponce-Robiatti is VP of Client Services at Calhoun & Associates Insurance Services. She is a 18 - year veteran of health insurance, specializing in Small Group benefits and Co-Chair, Mental Health Task Force, California Agents & Health Insurance Professionals (CAHIP). She grew up in Orange County and is a wife and mother of three.



Protect, Grow and Sell Health Commissions

By Phil Calhoun & David Ethington

We take pride in providing health insurance professionals with fresh ideas and new ways to grow your book of business. Many active brokers look for ways to help older brokers who over the next 2 to 10 years will look to exit the business.

Why would a successful broker consider acquiring a book of business?

Why would an active broker need to plan for their future?

When you look at the trends it becomes clear there is a significant opportunity for younger brokers to grow their book of business while helping older brokers protect their hard-earned commissions. Using a proven planning approach the younger broker can be equipped to help an older active broker.

Top Three Concerns:

- What is my book worth?
- How will you pay me?
- How do I stay active but plan for my exit someday?

Learn more about these concerns and how you can be a professional who works with a proven process for commission planning.

TRENDS:

- ◇ 75% of all current health insurance professionals are Baby Boomers.
- ◇ In California there are about 130,000 licensed life and health insurance professionals, so roughly 97,000 are Baby Boomers.
- ◇ Over the next 10 to 15 years most Baby Boomers will retire. The youngest Boomers are 60 and the oldest are 80.
- ◇ This means approximately 97,000 who own a book of business will retire. How brokers will choose to retire is unknown.
- ◇ Within the next 15 years hundreds of brokers will either sell their book of business, give their book to someone licensed (employer or a colleague), or they will pass away while active and the carriers keep their hard-earned commissions.

FACT - ALL Active Brokers need to have a plan in place to protect their hard-earned commissions.

WHY WOULD YOU NOT WANT TO HELP SOLVE THIS PROBLEM?

Consider This Case Example:

After years of helping brokers as their successor or Buyer, our success has led us to focus on two new areas.

- 1. Buyer and Seller matching service:** We connect Brokers who have commission planning needs, to capable brokers trained and proficient in filling these roles. In this service we find brokers who want to sell while others who want to buy. Other brokers want to stay active and in doing so they need help to protect their commissions.
- 2. Consulting Service:** The second area is our consulting service for brokers looking for planning assistance. Buyers as well as Sellers reach out to us for help with their planning process. Over 12 years we have built processes that work. We provide the required agreements, and we stay current with the carrier commission transfer requirements. We also built a client and commission transfer retention plan that works. So, when an Active Broker needs to protect their commissions, we answer their questions, and they can hire us to build a plan for them. Often, two brokers decide to work together but need our agreement, or commission transfer help, and the retention plan. After a call to get their questions answered they can choose to hire use to build a plan for them.

In this consulting role we provide answers, and all the tools needed to complete commission planning.

One Example:

- Rob is 77 and has a Group book of business wants to protect his commissions then retire in a couple years
- Linda wants to acquire group business.

We matched Rob and Linda as Active Broker and Successor. Linda completed our training program and is doing the work to be a subject matter expert in Commission Solutions. Our training provided all the tools required to be a Successor and complete the Commission Protection agreement. Linda received our information and is becoming proficient in Commission Protection as a Successor Broker. The training enabled Linda to introduce the idea to Rob and explain how she could help him protect his commissions. Linda then arranged a meeting with our team to go over more details on the options to protect commissions, and then move to review the key components of the Commission Protection agreement with Rob in mind. The next step included a review of the agreement page by page as we covered all the key deal points. After the agreement review was completed, we included Rob in the agreement review. When both parties had all their questions covered, Rob was given the option to get input on the agreement from his advisor. Once ready to sign we did a final review and used DocuSign to execute the agreement. We then moved to complete the carrier forms required for the future transfer of commissions once the Active Broker decides to retire. Then we calendar a time to do an annual update of the carrier's forms and client list. Finally, we guided the process to prepare for the client relationship transfer which is a key process leading to retention of both clients and commissions. With the plan in place, we toasted the deal and know that Rob as an Active Broker now has Linda as their Successor, and the risk of total commission loss threat Rob had before met with Linda is eliminated. For the comprehensive planning work and consulting on this

deal we assisted Linda to perform, including all three of the steps above, our consulting fee was a small fraction of the book value of Rob's commissions. Rob agreed to pay the consulting fee and Linda agreed to pay the annual fee. Their planning process ended successfully with Linda looking forward to acquiring Rob's book of business in a few years. Rob is pleased to have Linda protecting his book while he continues to work for a few more years. UPDATE: As often happens within a couple months after the Commission Protection Plan agreement was signed, Rob began to think over his planning, and he decided to retire after the next open enrollment period October to January. Linda is enjoying the new business. She has 35 new groups with \$200,000 annual revenue. They are using our transfer process and client retention plan. Rob is pleased with the payout, with the process Linda provided, and Linda is enjoying a huge boost to her Group Business.

75% of All business owners, including health insurance professionals, are Baby Boomers

**Be a Solution Provider AND Grow your Book!
Nearly ALL Boomers will exit the business in 10-12 years.
Be a Solution Provider AND Grow your Book!**

Here's How This Process Produces Results:

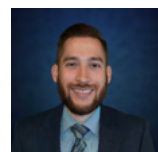
- 20% of the Active Brokers we speak with decide to Sell within 3 months.
- 20% of the Active Brokers decide to Sell some of their commissions but keep some lines of insurance.
- 40% Retire within 5 years of signing a Commission Protection Plan agreement.
- 20% Stay Active and complete a Commission Protection Plan then decide to Sell to another broker--- You Keep the refundable Fees for doing Successor work!

Integrity Advisors is a health insurance agency which specializes in educating health brokers on the importance of commission protection. Commission Solutions is a program offered by Integrity Advisors.



Phil Calhoun MBA is a board member of the Exit Planning Institute Orange County Chapter; he owns Integrity Advisors.

Phil's Calendly Click Here
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David Ethington is an expert in the process to acquire and transfer health commissions. He has trained numerous brokers in commission education, and he built the commission transfer planning module for Medicare commissions which is provided to our broker colleagues.

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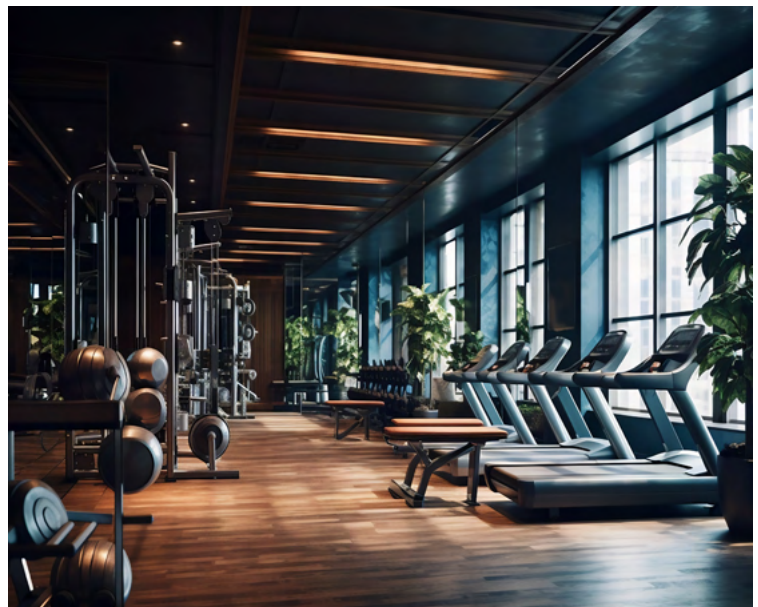


Enhancing Employee Well-Being through Comprehensive Wellness Programs

By Megan Wroe MS, RD, CNE, CLEC

In today's hybrid work culture, where potential employees have access to a wider variety of job opportunities in addition to skyrocketing rates of job burnout, prioritizing employee health and wellness can be the crucial edge that a company needs to both attract and keep quality staff. Implementing robust health and wellness programs not only fosters a happier, healthier workforce but also significantly impacts the overall productivity and success of an organization.

According to a report from the International Foundation of Employee Benefit Plans, companies with wellness initiatives notice a significant decrease in absenteeism and an improvement in employee morale and loyalty. Companies that invest in comprehensive wellness programs also observe a 28% reduction in employees calling in sick and 61% of employees participating in a wellness program exhibited healthier behaviors which lead to lower health risks overall.



While most organizations likely know these statistics, the tricky part is implementing a wellness program that delivers benefits to employees rather than just checking out a box. There are plenty of comprehensive online programs available to provide a baseline of employee health services, but here are some other innovative ideas to infuse wellness into the inner workings of your own unique business culture.

Functional Fitness :

A gym or dedicated exercise area is an incredible offer if you have the space. However, what we often see here is a lack of use. Workplace gyms are often barren due to a mixture of lack of knowledge of what to do and a lack of confidence to exercise in front of colleagues. Consider hiring a qualified trainer to be on site during a certain day of the week or even just a couple of hours a month so that staff know there is someone too who can guide their exercises. Another great offering is a series of classes on various types of functional movement. Examples could be a 4-week series on upper body strengthening, a 6-week series on weight-free circuit training, or even a workshop on specialized topic like achieving a proper squat. The added benefit of these is you don't even need a gym, just a large space to welcome interested movers!



Personalized Nutrition:

Every workplace wellness program has a nutrition component, but they are often standardized with nothing catchy. A “dietitian on call” can be a great way to offer mini private sessions to your staff. If the price point of private services is too high, you could hire a dietitian to teach a series of classes on various conditions or perhaps to host cooking demonstrations intermittently so staff can taste new recipes. It would be even better if healthy foods were also provided on site!



Restorative Breaks :

Yoga and meditation are amazing. But very rarely are recordings of these types of sessions well received or highly utilized. Staff simply don't have time during a workday and are too distracted to use these types of services virtually. If the company's desire is to provide some mental health respite, then it should be infused into the standard workday. This could be as simple as “10am Take a Breath” and get on the intercom to instigate a 1-minute-deep breath exercise for everyone. Chair yoga offered in short 10-15minute intervals during standard lunch breaks are great too, rather than expecting staff to give up their entire breaktime for a class and missing out on time to eat. Cronometer make it easier than ever. They track food intake, provide personalized meal plans, and offer insights into nutritional content, empowering users to make informed dietary choices.



There is no one size fits all in employee wellness, but the key is to find a handful of ways to personalize wellness to the staff and their culture. Take surveys, bring people onsite rather than relying solely on virtual offerings, and executives should walk the talk and create an environment where the wellness services are welcomed to thrive.

For more information:

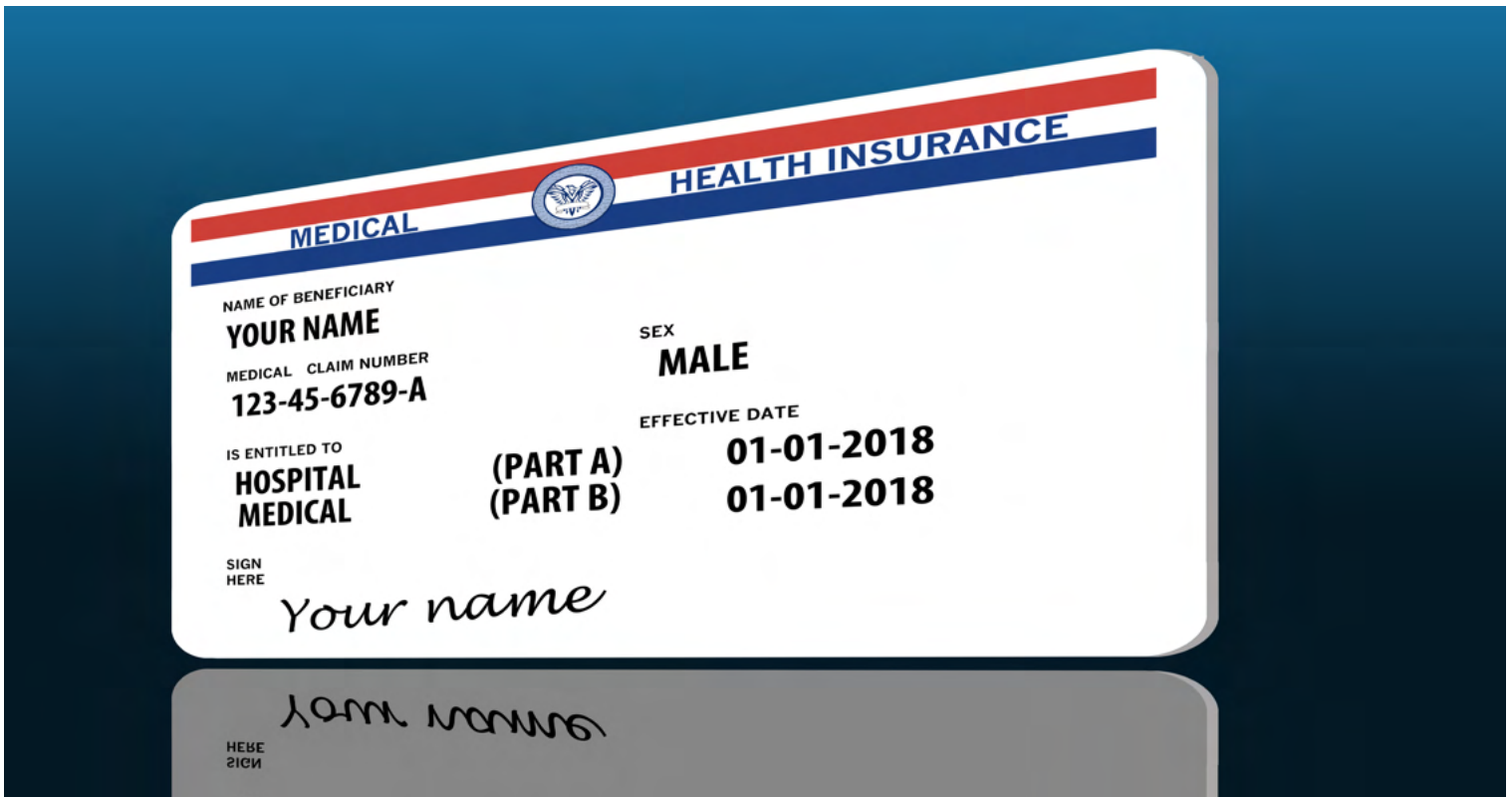
www.stjudewellnesscenter.org/educational-wellness-programs/



Megan Wroe MS, RD, CNE, CLEC manages St. Jude Wellness Center, an integrative wellness department of St. Jude Medical Center. St. Jude Wellness Center is located in Brea, CA and offers a variety of nutrition, fitness and restorative programs and services for population health. Visit their website for blog content, recipes and more information:

www.stjudewellnesscenter.org

MEDICARE & GROUP BENEFITS



What the Group Needs to Know About Medicare

By Maggie Stedt

Agents and Brokers focused on Large and Small Group Health Plans must know how Medicare and the Group Health Plans coordinate the payment of benefits. In other words, the determination of who pays first and who is the secondary payer.

The rules are applied according to the size of the group. The size is based on the number of employees, not the number of individuals covered under the *Group Health Plan (GHP)* or the number of full-time or part-time employees. Please note there are some exceptions. For example, the *Medicare Secondary Payer (MSP)* requirements for ESRD are not based on any employer size restrictions.

The rules apply to both the employee and the spouse. It is important to know that under Medicare the definition of Spouse includes both opposite sex and same sex:

- Entitled to Medicare under Social Security Rules
- Marriage was legally entered into a U.S. Jurisdiction that recognizes marriage.

Social Security doesn't recognize a domestic partner as a spouse. Therefore, the individuals cannot use each other's work history to qualify for Medicare Part A if they're not married at the time of Medicare eligibility. If a person is insured through their domestic partner's employer plan and misses their Medicare Initial Enrollment Period, they could end up with late enrollment fees for Part B, Part D, and depending on their own work history, even Part A.

The following is a brief overview according to the type of coverage and the situation to determine who pays first:

The Working Aged and Disability is based on Employer size (number of employees not the number on the Group). Size is based on size of entire company or corporation, not just the subsidiary (i.e., parent companies, subsidiaries, and sibling companies (also includes number of employees of organization worldwide))

If an employee or spouse has Medicare and are offered coverage under a Group Health Plan they can choose to *accept or reject the plan*.

Employers with 20 or more employees MUST:

- offer current Employee is 65 and older, the same health benefits under the same conditions that they offer employees under age 65.
- Offer the same coverage to spouses 65 and older that it offers to spouses under age 65

Employers with Less than 20 Employees

Medicare Secondary Payer rules were enacted back in the 1982 Tax Equity and Fiscal Responsibility Act (TEFRA) defined a "small employer" as having 2 to 19 employees. For small groups, Medicare is the Primary payer and the Group Health Plan is the Secondary Payer.

The Employer may purchase a Medicare Advantage Plan or offer a Medicare Supplement plan to employees and their spouse.

The Medicare eligible Employee/spouse should enroll in both Parts A & B as per Medicare. However, in California some of the Small Group plans may continue to offer Group Health Plan coverage to their Medicare eligible employees and their spouses. It is important to confirm if Group Health Plan covers Part B medical expenses if Employee is not enrolled in Medicare Part B. (Most out of state plans do not!)

Disabled Employee/Dependents who *do not* have *End Stage Renal Disease (ESRD)*:

- Employers with 100+ Employees, the Large Group Health Plan Pays first and Medicare is the Secondary Payer.
- Employers have less than 100 Employees, Medicare pays first, and the Group Health Plan is the Secondary Payer.
- Multi-Employer Plans with 20+ Employee, the Group Health Plan pays first Medicare is the Secondary Payer
- Multi-Employer Plans with less than 20 Employees, it depends on employer and their plan for determination of who pays first.

Disabled Employee/Dependents who *DO* have *End Stage Renal Disease (ESRD)* – and are eligible for Medicare

- The Group Health Plan pays first for 30 month and Medicare is the Secondary Payor regardless of group size and if the Group Health Plan covers single employee or is a multi-employer/multiple employer plan.
- At end of 30 months, Medicare pays first.

Retiree Coverage

Employers are not required to provide retiree coverage and can change benefits or premiums or cancel coverage. The Group Retiree plan may not pay medical costs during any period that retiree was eligible for Medicare but had not enrolled.

Retirees do need to sign up for Medicare Parts A and B to receive the full benefits from their retiree coverage.

Medicare and Workers Compensation

If the Employee is covered under Workers Compensation due to job related illness or injury and entitled to Medicare, Worker's compensation pays for services or items related to the worker's compensation claim. Medicare usually does not pay for Workers Compensation covered job related illness or injury. However, Medicare may make a conditional payment due to denial of claim or a claim review pending usual 120 days or longer. Payment MUST be repaid to Medicare when a settlement, judgement, award, or other payment is made.

Enrolling in Medicare

If the Employee/Spouse is in their Initial Enrollment Period for Medicare they may enroll into Medicare via website, phone, or in-office appointment. If they are past their Initial Enrollment Period, they may enroll in Part A and Part B two months prior to leaving Group Plan.

They should request or download two forms from Social Security. The L564 SS form (Request for Employment Information) has a section to be completed by the employer that confirms coverage under the Group Health Plan since the Employee/Spouse turned 65. If they have multiple employers after turning age 65, they will need a completed form from each employer. Both the employee and the spouse should be listed on the form. The second form that both the employee and the spouse must complete separately is the CMS-Form 40 B to apply for Part B coverage.

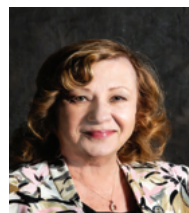
The Employee/dependent may enroll in a Medicare Advantage or a Stand-alone Part D Plan within 63 days of loss of plan. The Employee/dependent may enroll in a Medigap Plan within 6 months of Part B coverage effective date. They have eight months to apply for Part B coverage from the loss of their Group Health Plan coverage.

Want more information and need to dig deeper?

Go to Medicare's website www.medicare.gov and review the "Who Pays First Booklet which is the primary resource for this article. In addition, you may download copies of the following:

- Medicare and You Guide (2024)
- 2024 Choosing a Medi-Gap Policy
- Another resource is the MMSEA Section 111 Group Plan
- Medicare Secondary Payer Employer Size Guidelines (CMS)

The Website for Social Security for information and enrollment is www.socialsecurity.gov



MAGGIE STEDT C.S.A, LPRT, is an independent contractor/licensed agent and consultant. She is a certified senior advisor and lifetime member of NAHU's Leading Producers Roundtable at the Soaring Eagle Level. She has over 40 years of experience in essential areas of the insurance industry including sales and sales management, product development and product management. A dedicated leader, Maggie currently serves on the NAHU Medicare Advisory Committee. Founder of the annual Senior Medicare Summit, attendance grew from 200 in 2010 to close to 1,000 attendees in 2022. She served as past president of CAHIP; NAHU Region 8 Membership Chair 2014 – 2018 and past president of OCAHU, serving two terms.

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Employer Sponsored Plans and Medicare Part D Notices of Creditable Coverage

By Janet Trautwein

Compliance and Government Affairs Executive, Warner Pacific

The recent changes to Medicare Part D benefits resulting from the prescription drug provisions of the Inflation Reduction Act have significant implications for employer-sponsored plans. Starting in 2025, Medicare Part D will implement a \$2,000 out-of-pocket cap, raising the threshold for what is considered creditable coverage for Part D. This change is poised to impact many employer-sponsored plans, necessitating a closer examination of their prescription drug coverage offerings.

Importance of Creditable Coverage

While employers are not mandated to offer plans that qualify as creditable coverage, they must notify employees about the creditability of the coverage they provide. This is crucial because individuals without creditable coverage who delay enrolling in

Part D may face late enrollment penalties. Given the growing trend of working past age 65, employers are finding that a larger percentage of their workforce is Medicare eligible and may need to evaluate and adjust at least some of their prescription drug offerings to meet the needs of their changing workforce.

How Brokers Can Assist

For fully insured clients, carriers typically announce each year which plans are considered creditable coverage. Warner Pacific will collect this information from the carriers for all our plan offerings and post it to *Carrier 411*.

If you work with another general agency, check with them to see if they are collecting this information. This year, you should expect that many more plans, especially those with higher deductibles where prescription drugs are subject to the deductible, will be deemed not creditable. Brokers play a vital role in communicating these changes to their clients and helping them navigate the complexities of creditable coverage.

For level-funded and self-funded clients, brokers should contact their client's TPA, carrier, or pharmacy benefits manager to confirm the creditable coverage status. Once you have determined the creditable coverage status for your clients' plans, it is essential to inform them which plans are creditable, and which are not.

While carriers or TPAs may also notify your clients, you should not assume that this has occurred, or that your clients understand the significance of the notification. It is a best practice for brokers to explain the creditable coverage issue to their clients and to emphasize the importance of the annual notification to employees, especially given the significant changes to the Part D benefit this year. This ensures employers can make appropriate benefits decisions, particularly since many renew plans during the fourth quarter.

Employer Responsibilities

Employer health plans are not required to offer creditable prescription drug coverage. While there are no express penalties for failing to provide a Part D Creditable Coverage Notice, an employer could be subject to an ERISA fine for failing to comply as a failure to exercise fiduciary duty under ERISA. Therefore, it is imperative for employers to stay informed about the creditable coverage status of their plans and communicate this information effectively to their employees.

The Notice of Medicare Part D Creditable Coverage must be sent out by October 15th each year to all Medicare-eligible employees and dependents participating in the employer's plan. Because it can be challenging to track who is Medicare-eligible, most employers distribute the Part D notice to all employees annually. This proactive approach helps ensure compliance and avoids potential penalties.

CMS provides two model notices for employers to use:

- A Model Creditable Coverage Disclosure Notice ⁽¹⁾ for when the health plan's prescription drug coverage is creditable
- A Model Non-creditable Coverage Disclosure Notice ⁽²⁾ for when the health plan's prescription drug coverage is not creditable

These model notices serve as a valuable resource for employers, simplifying the process of communicating creditable coverage status to employees.

Determining Creditable Coverage Status for Self-funded Plans

While the most accurate method of determining creditable coverage status is actuarial determination, for 2025, employers and other plan sponsors who are not fully insured can use the CMS Simplified Determination for measuring creditable coverage status. More information on this method can be found on the CMS Creditable Coverage webpage ⁽³⁾. This simplified approach provides a practical alternative for employers, reducing the administrative burden associated with actuarial determinations. Keep in mind, for self-funded plans, including level-funded plans, your carrier or TPA will be your best source for creditable coverage status.

Disclosure to CMS

In addition to notifying plan participants, employers and other plan sponsors must disclose to CMS each year whether their prescription drug coverage is creditable or non-creditable. This disclosure must be made annually and whenever any change occurs that affects the coverage's creditability. Plan sponsors must use the online disclosure form on the CMS Creditable Coverage webpage ⁽³⁾.

Conclusion

The upcoming changes to Medicare Part D benefits underscore the importance of understanding and communicating creditable coverage status. Employers, brokers, and plan sponsors must work together to ensure that employees are informed and that all regulatory requirements are met. By staying proactive and utilizing available resources, employers can navigate these changes effectively and continue to provide valuable benefits to their employees.



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Prior to becoming the CEO of NAHU in 2005, Janet served for many years as the head of NAHU's government affairs department, working with members of Congress, senior government officials, governors, and state legislators, and directing the government and political affairs of the organization.

A frequent speaker on health policy issues, Janet is considered an expert in health insurance markets and health plans of all sizes and frequently testifies before Congress on these issues. Her expertise in issues related to the uninsured, health insurance pools, risk and reinsurance pooling, health related tax issues, and both national and global health reform has been recognized throughout the industry.

Janet has been published in major newspapers, including **The Wall Street Journal**, **The New York Times** and **The Los Angeles Times** and has appeared on hundreds of radio and television programs around the world.

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LIFE INSURANCE

Good Pricing and Underwriting with Benefits from Starter to Executive Plans

By Marc Glickman

Almost all the true group products are hybrids built on term, universal life, or whole-life designs. Most have a level of guaranteed issue underwriting and a higher level of simplified issue for actively-at-work employees and spouses.

There are also emerging worksite solutions that offer streamlined or simplified issue underwriting based on a census. This article will focus on the guaranteed issue market and a future article will focus on individually filed products designed for the worksite.

True group products are rapidly growing in popularity with new products being released every few months and annual sales growth over 25% year-over-year. The number of new policyholders may now exceed new purchases on individual solutions.

Carrier specific product details can be found in the Buddy System at <https://app.buddyins.com/group-worksite>

Carrier	Minimum Employer Size	Age Range	Eligible Groups	Strategies
Chubb	100	18-79	Employer Groups, PEOs, Associations	Employer Funding, Large Group Voluntary, Employee Carve Out
Trustmark	100 25 w/ employer funding	18-69	Employer Groups	Large Group Voluntary, Employer Funding- Pilot
Allstate	10+	18-80	Small Group Friendly, Large Group Voluntary	Employer Groups

Group Hybrid LTCi + Life

Group Hybrid LTCi + Life generally looks like a mini version of the Individual Hybrid Life with LTC extension rider concept (Featured in Part 2 of our series). The products offer an acceleration of the death benefit, and many offer an extension rider that doubles or triples the duration of the initial LTC benefit pool. Monthly benefits are available from \$1,000 per month up to \$20,000 per month. Many of the products offer riders that restore the death benefit to provide both LTCi and life insurance benefits.

Products offered through employers, associations, and PEOs have exploded in popularity since Washington state implemented an LTC payroll tax with private insurance opt out in 2021. While the talk is about rumors of other states launching their own payroll taxes, the action is with employers looking for new solutions to attract and retain employees. The newer carrier and competition have stimulated demand and benefit brokers are actively looking to upgrade their clients who have legacy LTCi solutions.

Employer funding strategies have regained popularity as a low-cost way for employers to encourage participation and education. Executive benefits strategies have re-emerged because guaranteed issue policies offer surprisingly robust benefits and good value at the high end, while giving busy executives and business owners an easy opportunity to get a starting level of LTC coverage without the fear of being declined based on health.

Associations and PEOs have found the group hybrid market to be a great fit for their solution set. While they may offer simplified life or disability solutions, this may be the first time they have had access to guaranteed or simplified issue LTCi focused solutions. The LTCi solutions are built on an e-commerce platform with a self-service buying experience that resonates with their members looking for a plug-and-play option.

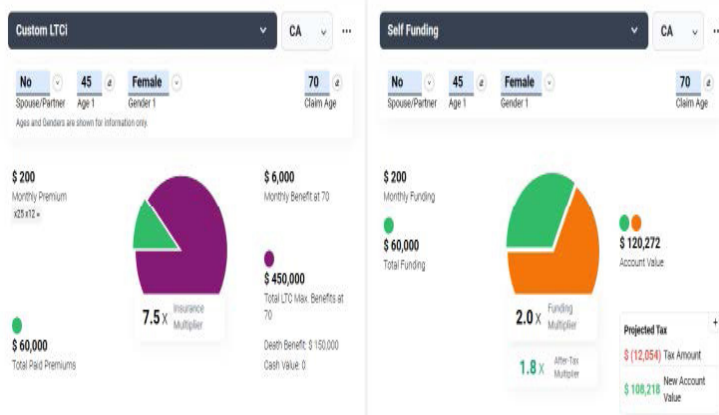
Even if you don't offer solutions to groups, don't sleep on them as it's likely your friends, family, and clients will be offered these products soon.

Individual solutions are still an important complement for the group market. While your clients may purchase group LTCi as a quick solution, supplementing a lower benefit plan with individual coverage may be important to address the rising cost of care especially with inflation well into the future. Essentially the client owns two policies with the option to claim on either or both to combine benefits.

Education on LTC planning and the value of the products is still critically important, so a LTCi specialist agent has an important role for both the group enrollment and individual consultative sale.

Planning Process: Hybrid LTCi Compared to Self-Funding

Story: Sharada is a 45-year-old HR leader and rising executive at a fast-growing technology company with 100 employees that helps match professional home caregivers to families. She learned about a new LTCi solution through an association that she belongs to that offers this benefit to its members. This would be the perfect benefit to provide to her company's executives to attract new talent and align with their corporate mission. Most of her executive team, including herself, have personally seen care needs for their parents. She brings the idea to her senior leadership team who not only would love to offer as a voluntary benefit that employees could choose to purchase out of their paycheck but were interested in funding a portion of the cost. Sharada reached out to her benefit broker to learn more about the pricing and products available in the market.



LTCi Solution:

Sharada's company chose Group Term Life with LTC Extension Rider.

- The executive team chose a product that offered a guaranteed issue with no health underwriting term life benefit to age 121 with LTCi rider.
- The term life provides between \$25,000 to \$150,000 of death benefit that can be accelerated at 4% per month for LTCi, which would provide between \$1K to \$6K per month of benefits over 25 months.
- In addition, they added a LTC extension rider that provided an additional 50 months of coverage, tripling the benefit up to \$450,000 of LTCi coverage.
- They included a restoration of the death benefit, so even when the LTC is used, 50% of the death benefit would be restored in addition to the LTC benefits.
- They decided to fund the full \$150,000 option for the executive team of 10 at a total of \$2,000 per month.
- They decided to fund a base plan of \$25,000 option for the other 90 employees for a total cost of \$3,500 per month.
- They included the option for employees to buy up to \$150,000 on a voluntary basis and for spouses to purchase up to 50% of what the employees elected.
- The company also chose to add guaranteed issue accident and critical illness insurance on a voluntary basis to supplement the elimination period for the LTCi and cover the gaps in their major medical insurance.

Product Sweet Spots:

- Actively-at-work clients ages 18 - 70
- No health underwriting
- Full portability at issue age premium
- Guaranteed life premiums and death benefits
- Indemnity LTC benefits
- Simplified underwriting options to buy more coverage at time of enrollment
- Ability to purchase more coverage in future years
- Affordable starter premiums up to mid-range LTC benefits
- Female clients get better value with unisex pricing
- Education endorsed by trusted employer or association/affinity organization
- E-commerce self-service application

Cautionary Area:

- Products are more complex than they may appear with a variety of different product structures including universal life, whole life, and group term life designs with LTC and restoration of death benefit riders
- Pricing may need to change modestly based on underlying product structure
- Product benefit guarantees may be complex or reduce at older ages
- Generally, no inflation protection to grow benefits
- New markets may have rapid changes in underwriting, product, or state variations
- New carriers with less LTC experience may have more difficulty marketing, enrollment, servicing, or claims
- During a limited time enrollment, clients may have less time to learn about LTC planning and product

Sample Products:

- Chubb (Term to Age 121)
- Trustmark (UL and Term to Age 121)
- Allstate Group (UL and WL)
- Transamerica (UL and WL)
- MetLife (UL and WL)
- Equitable (Term to Age 121)
- Voya (Term to Age 121)
- MassMutual (New)
- Unum (New)
- LifeSecure (simplified issue worksite traditional LTCi)

To find out more, please visit us at:

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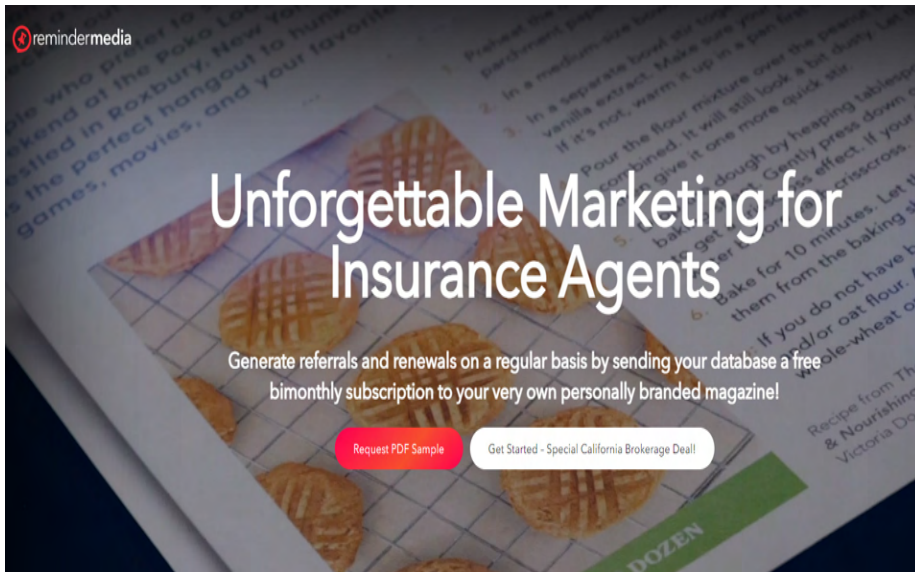


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ReminderMedia VS the Competition

By Calbroker

As a business owner or sales professional, you're probably always looking for the most effective way to stay in touch with your past clients and sphere of influence. **ReminderMedia** is a marketing company that helps real estate agents, insurance agents, financial professionals, and small business owners connect with their clients by providing various marketing tools and products.

COMPANY BACKGROUND

Founded in 2003, **ReminderMedia** has built a reputation for helping professionals and companies create lasting impressions with their clients through various marketing channels.

Products and Services

ReminderMedia offers a wide range of products and services to keep you in front of past clients and maintain a positive relationship. Some of their popular offerings include:

- **Branded Magazines:** Beautifully designed magazines that are branded by you, making it an effective way to stay remembered by your clients. Choose from 4 different options from Health & Wellness to Home & Garden.
- **Email marketing:** Create and send customized email campaigns to nurture client relationships.
- **Direct mail:** Send targeted campaigns to stay in front of your prospects and clients.
- **Social media posts:** Utilize a fully automated platform to share professional content on your social media platforms to engage with your audience.

You can choose which **ReminderMedia**'s products and services you want to use.

ReminderMedia offers various services to enhance your marketing strategy and boost customer engagement. Personalized Print Materials, Digital Marketing Integration, and CRM and Analytics. **CRM and Analytics**

Connected to Digital Marketing Integration, **ReminderMedia**'s CRM and Analytics feature helps you collect customer feedback ⁽¹⁾ and monitor the performance of your campaigns. This includes tracking essential metrics like open, click-through, and conversion rates. With this information, you can make data-driven decisions to optimize your marketing efforts, improve customer satisfaction, and ultimately increase revenue.

Pricing and Packages

When you decide to use **ReminderMedia**, it's essential to understand the costs involved. The pricing primarily depends on the magazine volume you plan to order.

For clients who order a quantity of 50 or more magazines, the cost is affordable at \$4.99 per magazine which includes customization, shipping & handling. If your order quantity is between 1 and 49, you'll pay \$6.99 per magazine ⁽²⁾. In addition to these costs, there is a one-time activation fee of \$299.99.

Your investment in **ReminderMedia**'s services should be well considered, as it could be a critical element in building lasting relationships with your clients and prospects.

Remember, the success of these marketing tools depends on your ability to use them effectively to deliver and offer value to your audience.

Pros and Cons

Pros:

- **High-quality publications:** Many users praise the quality of the magazines, with some even stating that recipients believe they're featured in a professional magazine.
- **Positive feedback from clients:** Several real estate agents have received compliments and appreciation from their clients for sending the magazines, noting that they enjoy the content.
- **Top-of-mind marketing tool:** Many users report that sending these magazines helps them stay top of mind with their clients, making it easier to receive referrals.

Customizable: Users appreciate the ability to customize covers and tear-out cards to personalize the magazines further.

Cons:

- **Expensive:** Some users find the cost of **ReminderMedia**'s services too high, particularly if they haven't seen a clear return on investment.
- **Difficulty canceling:** A few users have mentioned that canceling their service with **ReminderMedia** can be challenging, with some even encountering threats of cancellation fees or issues with remaining payments. **ReminderMedia** has improved in this area.
- **Inconsistent mailing schedules:** Some users report difficulties with the mailing schedule, noting that their magazines are sent more frequently than requested. Best success is accomplished with schedules that create economies through volume printing.
- **Lack of noticeable results:** While some users have experienced success with **ReminderMedia**, others report little to no impact on their business or referrals from the service.

Training is offered to help users. Marketing a brand to people who do not know you takes time. Retention mailers help touch clients throughout the year and for insurance agents retaining clients also retains commissions and is worth the investment.

It's important to note that results may vary, and individual experiences with **ReminderMedia** could differ. Factors such as the size of a user's client base, their marketing strategy, and client engagement could impact the effectiveness of the service.

Customer Reviews and Testimonials

Matt Steiner: "Yes! I think it's the best marketing investment that I've ever made. I've been using them for 3 years. They love it. They share it with friends and family. I get tons of business from it."

Traci Ratzlaff: "I do! My clients absolutely love the publications when they come. I get lots of great feedback."

James Warren: "100% love it! Great ROI and people seem to hang on to the magazine and I've seen the recipe cards pulled out and in clients' kitchens."

Dan Sieverding: "I've used the magazine since '08. I see people all the time that thank me for the magazine. And it's been great for referrals."

Mary Braatz: "I send out the magazines. My clients like them, especially my older clients."

Some customers, however, didn't experience the same success and had issues with the service:

Ginny Nobbe: "They are nice. I can't say I got any business from it."

Kelly McConnell: "I did it for a while. Really nice magazine, but I didn't see a ROI."

Tabatha Baltimore Pittaluga: "Used them for a few cycles. Magazines were awesome. Great content. Unfortunately, it was too expensive without any results..."

Overall Consensus

Most customers seem satisfied with **ReminderMedia's** services and have experienced positive results from using their products. The high-quality magazines, customization options, and positive feedback from clients make it a valuable marketing tool for many professionals.

Comparisons with Competitors

SendOutCards

ReminderMedia and SendOutCards are both marketing tools for maintaining relationships with clients. **ReminderMedia** focuses on customizable print and digital magazines sent to an agent's SOI at chosen intervals, providing valuable content to keep the agent top-of-mind. SendOutCards specializes in personalized greeting cards and gifts that can be sent for various occasions, helping agents maintain a more personal connection with their clients. While both services aid in relationship building, the choice depends on the agent's preferred marketing approach and audience engagement strategy.

Mailbox Power

ReminderMedia and Mailbox Power are marketing solutions designed to help professionals stay connected with their clients. **ReminderMedia** offers customizable print and digital magazines, focusing on delivering valuable content to keep agents top-of-mind. On the other hand, Mailbox Power ⁽³⁾ provides personalized direct mail campaigns, including postcards, greeting cards, and gifts. Both services aim to foster client relationships, but their choice depends on an individual's preference for content-rich magazines or targeted, personalized direct mail campaigns.

Real Producers

ReminderMedia and Real Producers Magazine both offer print marketing solutions for professionals. **ReminderMedia** focuses on customizable magazines with lifestyle content for a broad audience. At the same time, Real Producers Magazine targets real estate agents, providing local industry insights, agent profiles, and success stories to help build connections within the real estate community.

Frequently Asked Questions

How much content can users control in the magazine?

Users can customize six sections within the magazine, including a personalized message on the inside cover tailored to individual clients.

How frequently is the magazine printed?

Based on optimal results and cost-effectiveness, the magazine is published bi-monthly.

Is there evidence that recipients read the magazine?

A third-party study found that readers spend an average of 46 minutes per issue, with magazines remaining in homes for 3-4 weeks due to their perceived value.

What is the minimum magazine order?

To receive the best price of \$4.99 per magazine, a minimum order of 50 is required.

Where do the articles come from, and who writes them?

ReminderMedia's editorial team creates the articles, but users can customize parts of the magazine to align with their branding and messaging.

Conclusion

In this article, we have explored **ReminderMedia's** services and offerings. By this point, you better understand what they provide and how they can benefit your business.

What sets them apart is their ability to create targeted, personalized communications for their clients. Through their platform, you can design and send customized reminders to your customers, helping you stand out from competitors and build strong connections with your audience.



Publisher's Note:

Cal Broker has entered into a partnership with **ReminderMedia**. We have direct experience with the products and services and will provide our Cal Broker subscribers with the opportunity to learn more. Content for this article was provided by Kyle Handy.

The links below are specific to health and life insurance professionals. **ReminderMedia** provides California Broker subscribers with promotional offers. Their cards are ideal for Turning 65 marketing and touching clients on their birthdays. Leads and referrals are the key to Medicare business building. Group benefits client also enjoy the magazines you can send them. For both Group and Medicare prospecting **ReminderMedia** has geo-tools to target your mailings too.

www.remindermedia.com/california-broker

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Gen Z is Growing Up - and Growing Concerned About Benefits

By Jennifer Beck

Vice President, Customer Experience and Insights

Each of the four generations active in the workplace brings its own set of needs and challenges – and with them, the specific expectations of their employers. The newest entrants to the workforce, Generation Z, born between 1997 and 2012, are already making their presence felt on workplace culture and priorities. Noted for their digital fluency, appreciation for diversity and inclusion, prioritizing work-life balance and mental health, and challenging workplace conventions, Gen Z is expected to outnumber Boomers by yearend ⁽¹⁾ and represent a third of the workforce by 2030 ⁽²⁾.

In the **ARAG Multigenerational Workforce Study 2024**, ARAG provides insights into what matters to Gen Z and how that compares to their Millennial, Gen X and Boomer colleagues when it comes to benefits. As you evaluate your benefit offering for the coming years, it will be increasingly important to understand where Gen Z aligns and diverges from the rest.

Worries about finances and the future

In the survey of 2400 full-time employees across the US, ARAG found that the top concerns keeping Gen Z up at night center on:

1. Financial stability (66%): the #1 worry for Zoomers. A sentiment shared by all working generations - but Gen Z and Millennials report higher levels of stress around this issue.

This speaks to the continued need for financial wellness programs ranging from student loan assistance to flexible savings accounts to financial planning and literacy programs – tailored to different generations’ needs.

2. Work-life balance (51%): Ranked second in level of concern by both Gen Z and Millennials but surprisingly failed to make the top 4 list of older coworkers. According to a 2024 Gen Z and Millennial Survey (3), work-life balance remains the top priority for both Gen Zs and Millennials when choosing an employer.

3. Future uncertainties (44%): While highly worrisome for Gen Z, this concern resonates across the employee base. For older cohorts, uncertainty around the future ranked second on their greatest concerns list – potentially fueled by financial worries and health concerns (their own or that of a family member).

The anxiety around future worries could stem from prior run-ins with legal issues. In the past three years, 66% of early- and mid-career employees have experienced at least one legal-related event, along with 60% of consumers across all generations. A legal insurance plan can help younger employees manage their top legal issues, like landlord, auto repair and credit card disputes, while also supporting older generations’ legal needs, like estate planning, identity theft issues and auto repair disputes.

To help Gen Z employees feel more prepared to handle future uncertainties, employers should look at the benefits that help caregivers as well as insurance options that mitigate future risk, such as long-term care policies or legal insurance plans.

4. High stress and anxiety (44%): Gen Z is acutely aware of mental health issues and report experiencing higher levels of stress and anxiety than Gen X (33%) or Boomers (21%). Deloitte’s 2024 Gen Z and Millennial Survey (4) reinforced this finding, reporting that Gen Zs and millennials are experiencing continued stress and anxiety, driven by financial concerns and health and well-being of their families.

Employers have focused on improving access to mental health resources and alleviating workplace stress and burnout but recognize there is still room to grow.

How Gen Z Views Current Benefit Offerings

Overall, members of Gen Z are satisfied with the employee benefits that they are offered through their employer. Nearly two-thirds of Gen Z respondents (66%) were ‘very or somewhat satisfied’ with their benefits. Older generations are even more satisfied – Millennials (68%), Boomers (70%) and Gen X (73%).

Further, 80% of Gen Z report feeling supported by their employer – financially, emotionally and mentally. As one Gen Z employee characterized it, “They understand I have a life outside of work and problems or personal things happen.”

The top reasons cited by Zoomers who are dissatisfied with their benefits include: limited benefit options (52%); costs are too high (48%); not customizable or flexible (30%) and difficult to use (16%).

Gen Z has More to Learn about Benefits

When asked how well they understand their non-medical voluntary benefits, 41% of Gen Z reported being ‘not at all’ or ‘only slightly familiar’ with their options. Contributing factors include:

1. A lack of communication around their benefits (30%)
2. Benefits program is complex and hard to understand (28%)
3. They didn’t have time to learn about their benefits (17%)

Ironically, Gen Z spent the least amount of time reviewing their voluntary benefits – an average of 21 minutes – compared with Millennials (26 minutes), Gen X (25 minutes) and Baby Boomers (22 minutes).

Influences on Benefit Decisions

It follows that nearly two-thirds (64%) of Zoomers report seeking advice or opinions from trusted colleagues, friends or family members.

In making enrollment decisions, all generations closely analyze the balance between costs and benefits. But older generations are somewhat more price sensitive while Gen Z and Millennials are more likely to focus on the benefit offered rather than costs.

Gen Z’s Communications Preferences

The question becomes how best to reach Gen Z with the information they need, at the level they want, and through the channels and formats they prefer – to help them make informed benefits decisions.

When reviewing their options, most Zoomers heavily favor digital benefits communications. Specifically, they prefer emails (70%), texts (40%), and digital booklets or benefit guides (31%). Surprisingly, 30% of this always-online generation favor receiving information through direct mail.

To help with benefits decision-making, 54% of Gen Z employees are open to using AI-based tools while 73% of Boomers would not even try it.

Going forward

So, what does this mean for brokers and employers? In an evolving multigenerational workforce, Gen Z’s influence on the workplace will continue to grow. Understanding Gen Z’s distinct needs and preferences – and where they align and diverge from their colleagues – will impact benefits offerings as well as the communications and tools employers use to promote them.



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