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PUBLISHER

Ric Madden
publisher@calbrokermag.com

EDITOR

Victoria Alexander
editor@calbrokermag.com

ART DIRECTOR

Michael Vannatter
mike@calbrokermag.com

ASSOCIATE EDITOR

Thora Madden
thora@calbrokermag.com

ADVERTISING

Devon Hunter
devon@calbrokermag.com

CIRCULATION

calbrokermag@calbrokermag.com

BUSINESS MANAGER

Lexena Kool
lex@calbrokermag.com

LEGAL EDITOR

Paul Glad

EDITORIAL AND PRODUCTION:

McGee Publishers, Inc.
3727 W. Magnolia Blvd., #828
Burbank, CA 91505
Phone No.: 818-848-2957
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Insurtech: Big Data and Insurance Create A Promising New Relationship

By JASON T. ANDREW

The insurance and employee benefits industry of today is often operating as it did 20 years ago. The tools commonly used by insurance professionals have remained unchanged; paper, pen, fax and email dominate the everyday activities and tasks of the long quote-to-enrollment process. But at long last, our industry is undergoing a huge shift.

The insurance industry does not love risk. Typically, it has been slow to respond to technology innovations. It is also one of the most complex and intricate industries to understand and navigate. With little public data readily available, old legacy systems operating as the standard, and manual processes at every turn, there is little transparency or shared processes. This makes it difficult to get things done. But the insurance industry lives and dies by its use of data, so there is a great need to open up and streamline the process of obtaining it. Slowly more and more data is beginning to be made available and industry players are starting to use data in new and exciting ways. There are many ways that data will help to improve key decision making, product creation, selection and renewals.

Part of the 'long overdue shift' has been the fact that the insurance industry

is starting to embrace technology as a way to better process and disseminate data. Between 2013 and 2017, more than 1,200 insurtech companies in 14 categories across 61 countries received over \$18 billion in funding, driven by automation, machine learning, and using data sources to make better decisions around everything from pricing and better customer service to selling more products. That is a lot of dough, and there are more and more startups wanting a piece of the action.

In addition, startup accelerators (typically, investors who create programs to help early-stage startups get off the ground) have blossomed all over the globe. Because of the excitement--and money--around insurtech, we are seeing a myriad of new and interesting potential companies, partnerships and collaborative efforts that have the potential to produce a tectonic shift in the way insurance gets done.

Insurtech Wish List for 2019

In an ideal world, the industry will get to a point where some of the following things begin to transpire at scale:

- * Employee benefit insurance prices are structured in a way that account for behavior, and reward health and good habits with favorable pricing
- * Wellness incentives are baked into

most employee benefit products

* Pricing for procedures is readily available with an amazing and interactive user experience that is both user friendly and enjoyable to navigate

* When searching for a doctor, networks are up-to-date, easy to connect with and simple to confirm (if they are contracted with an insurance plan)

* Insurance companies have APIs (application program interface; basically a set of technical tools that allow two software programs to 'talk' with each other and exchange information) and technology companies are able to share data and systems to help improve outdated processes

* As a result of the work that Accord, NAIC, LIMRA, carriers and others who have been working on this for years, we get a set of data standards in our industry

While the thoughts above have been dreams of insurtech leaders for years, with the slow pace at which the industry is evolving, it is unlikely these issues will be remedied in 2019 (even though the problems above are not technical problems, but rather issues that can be easily remedied with technology available today.) Plus, for the above to happen, there will need to be collaboration between carriers, government, associations, startups, investors and big players in the industry.

The insurance industry does not love risk. Typically, it has been slow to respond to technology innovations. It is also one of the most complex and intricate industries to understand and navigate.

What Can Actually Happen in the Near Future

There are a number of exciting things that are taking place. For now, at least partially due to the emphasis on and investments in insurtech startups, there is substantial collaboration between insurance carriers and new entrants, making this one of the most exciting times to be in the insurance industry. Data and how we use it will start to play a bigger role in every aspect and interaction with insurance. It will take some time, but we are not far off.

APIs: connecting the world

Using and getting familiar with APIs can make a world of difference in almost any process. Since our industry is inundated with manual processes, getting familiar with and using APIs can take costly and manual workflows and automate them.

To get more familiar with a consumer API platform, check out Zapier. Using Zapier with many platforms you already use (Gsuite, Salesforce, Marketo, Dropbox, etc...) you could, for example, automate some of the following:

- * Set auto notifications about renewals to go to your service department
- * Have those notifications run a quote, generate a proposal and send it to the service department for review
- * Auto schedule an appointment with a prospect or customer and gather the required information needed to prepare in advance
- * Write an article and have it automatically posted to all your social media sites, sent to all your prospect and customers and tracked in your favorite marketing solution

These are just a few examples. But being that it is said that 40 manual processes account for about 25 percent of an insurer's cost of doing business (think about your brokerage firm), how much could you save and/or how much more efficient could you be if you began automating? For our industry, the more API connectivity we get between systems, the more time and money we will save.

AI & Machine Learning

There are a plethora of cool applications and opportunities that can help accelerate the realization of my wish list above. Let's take a parallel industry: tax preparation. Just two years ago, H&R Block partnered with IBM's Watson to see if they could begin to help augment the CPA and tax preparer experience with machine learning and data.

The New York Times writes: "Watson proved to be a quick learner. Its core skill is its ability to digest and classify vast amounts of text, using what is known as natural language processing. So, among other things, it was fed the 74,000 pages of the federal tax code and thousands of tax-related questions culled from H&R Block's data, accumulated over six decades of preparing tax returns."

How cool is that? Can you imagine if we were able to feed Watson all the rules around employee benefits, all the plans, rates, six decades of renewal proposals and years of claims experience and let Watson learn what we have in our heads? Having access to all that data to help think through the best options for an employer and their employees would be a huge boon for the insurance industry.

As we advance ever closer to a new decade, the insurance industry is poised to be the latest to embrace new and exciting ways to increase productivity through technology. It is invigorating to see new life breathed into the industry through insurtech innovations and startups. As more and more carriers and brokers begin to use APIs, we will see turnaround times shrinking and efficiency skyrocketing.

Jason T. Andrew is CEO and co-founder of Limelight Health. Recognizing the early trend for insurtech innovation in late 2013, Jason co-founded Limelight Health to deliver better data integration and sales efficiency for insurance carriers, PEOs, brokers and others in the employee benefits sales ecosystem. As CEO, Jason has led Limelight through three rounds of funding, helped the company close contracts with some of the largest and most well known companies in the U.S and grown the team to over 50 employees. Limelight's award-winning technology, called QuotePad™ aims to transform the way health insurance and employee benefits are quoted, sold and renewed. In its first three years, Limelight has been recognized with numerous industry awards:

- Awarded "Most promising HealthTech Company of 2015" - Silicon Valley HealthTech Conference
- 1st place "2015 Startup Showcase" at Insurance Disrupted in Palo Alto
- Named top "Agents of Change" for health insurance technology startups Jan 2017
- Chosen of 1,000 companies to be part of Plug and Play's InsureTech batch March 2017
- Awarded 1st place in MunichRE's annual innovation summit June 2017

Jason is a serial entrepreneur and has advised numerous Silicon Valley startups as well as volunteering in the industry and community.



Newsom Begins Governorship with an Insurance Bang

California's new governor, Gavin Newsom, began his term in January with a lot of insurance talk and some action. The state's 40th governor signed a letter asking the federal government's permission to mingle state and federal dollars (such as funding for Medicare, Medicaid and veterans health benefits) into a single-payer system, replacing the various public and private insurance programs with one run by Sacramento. In response, The Los Angeles Times editorial board said the "chances of the Trump administration signing on to such a plan seem more remote than the most distant star in the Milky Way."

Newsom, however, forged on with his "California for All" agenda. He signed an executive order to establish a state-run, single-purchaser for drugs and he says he'll establish a California surgeon general post.

The new governor also promised that the following provisions will make their way to his budget proposal:

- * Expanded access to health insurance premium subsidies. Newsom wants to make subsidies available to residents earning up to 600 percent of the federal poverty level. That's \$72,840 for an individual and \$150,600 for a family of four.

- * A state "individual shared responsibility" provision. This would require people to have major medical coverage or pay a penalty.

- * Access to Medicaid coverage to undocumented young adults. The state Medicaid coverage for undocumented children would be extended to residents ages 19 to 26.



GIA Welcomes 2019 Cohort

The Global Insurance Accelerator (GIA), an organization that fosters insurance industry innovation, announced its 2019 cohort. GIA welcomed members of 10 Insurtech companies to Des Moines, Iowa, January 15, to begin the program. This year's GIA cohort teams are developing and delivering new products and business models for buying insurance, cyber risk protection, underwriting automation, advisor services, digital transformation, claims resolution, pension planning, and employee benefit management. The teams include:

- * BriteBee enables consumers to shop for trusted insurance agents in an online marketplace.

- * Cowbell simplifies and expedites the process of obtaining accurate cyber insurance coverage for businesses by mapping insurable threats to the type of exposures.

- * ebbie specializes in e-application development and underwriting automation for life and health insurance companies.

- * everyday life makes purchasing the right life insurance policy easier using artificial intelligence (AI) to provide high-quality advisor services and personalized recommendations.

- * Friendly digitizes and structures documents and notes to enable automation of time-consuming, mundane tasks, such as data entry, document indexing, and adjudication for simple products.

- * Liscena automates the decisions and interactions between policyholders and insurance companies with AI-powered claims adjusters.

- * Micruity supports entities looking to synergize employee benefits with human resources (HR) strategy by enabling the addition of financial-focused insurance products, such as deferred annuities, to the company pension plan.

- * Predictive Health Partners leverages real-time predictive analytics that is personalized and conveniently delivered through a mobile app to help employees be better consumers and managers of health care.

- * Prosper eDNA increases accuracy and planning for insurance companies working in life, long-term care and annuities by making accurate lifespan predictions, and enabling personalized epigenetic (not genetic) monitoring.

- * The Sentence Data Refinery assists insurance companies by reading and interpreting sentence data related to events and activities in claim and underwriting files with speed and accuracy.

The GIA's 100-day program consists of one-on-one meetings with insurance professionals, site visits to insurer offices, networking events, discussions with seasoned Insurtech founders, education sessions, investor introductions and much more. The program concludes with final presentations at the Global Insurance Symposium on April 24 in Des Moines.



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For a complete list of the program rules go to: bit.ly/AgentIncentive2019



easecentral

Colonial Life, EaseCentral Expand Partnership

Colonial Life and EaseCentral announced an expanded partnership to better serve mutual customers through a new benefits enrollment solution. The companies have successfully partnered to bring benefits enrollment solutions to the small- to mid-size business market for more than two years. Their expanded partnership offers a new system upgrade that supports Colonial Life agent-assisted enrollments with secure two-factor authentication that protects employee information while allowing Colonial Life representatives to provide one-to-one employee benefits counseling. Self-enroll and call center enrollment methods also are supported by the platform for maximum enrollment flexibility. Company reps say the expanded partnership takes advantage of the ideal combination of people and technology to deliver results and maintain service excellence.



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NAFA Appoints New President

The National Association for Fixed Annuities announced that Charles J. “Chuck” DiVencenzo will assume the role of President & CEO effective April 1. NAFA says DiVencenzo will oversee the daily operations while working to actively execute the Board of Directors’ strategic vision for the organization, enhance membership experience and advocate for the value of fixed annuities and their role in American retirement planning. Prior to joining NAFA, DiVencenzo was vice president of advanced sales development for Allianz Life of North America.



Cigna Launches Loneliness Index

Cigna recently released results from a national survey exploring the impact of loneliness in the United States. The survey, conducted in partnership with market research firm Ipsos revealed that most American adults are considered lonely.

The evaluation of loneliness was measured by a score of 43 or higher on the UCLA Loneliness Scale, a 20-item questionnaire developed to assess subjective feelings of loneliness, as well as social isolation. The survey of more than 20,000 U.S. adults ages 18 years and older revealed some alarming findings:

- * Nearly half of Americans report sometimes or always feeling alone (46 percent) or left out (47 percent).

- * One in four Americans (27 percent) rarely or never feel as though there are people who really understand them.

- * Two in five Americans sometimes or always feel that their relationships are not meaningful (43 percent) and that they are isolated from others (43 percent).

- * One in five people report they rarely or never feel close to people (20 percent) or feel like there are people they can talk to (18 percent).

- * Americans who live with others are less likely to be lonely (average loneliness score of 43.5) compared to those who live alone (46.4). However, this does not apply to single parents/guardians (average loneliness score of 48.2) – even though they live with children, they are more likely to be lonely.

- * Only around half of Americans (53 percent) have meaningful in-person social interactions, such as having an extended conversation with a friend or spending quality time with family, on a daily basis.

- * Generation Z (adults ages 18-22) is the loneliest generation and claims to be in worse health than older generations.

- * Social media use alone is not a predictor of loneliness; respondents defined as very heavy users of social media have a loneliness score (43.5) that is not markedly different from the score of those who never use social media (41.7).

The health insurer says that people who engage in frequent meaningful in-person interactions have much lower loneliness scores and report better health than those who rarely interact with others face-to-face. In addition, getting the right balance of sleep, work, socializing with friends, family and “me time” is connected to lower loneliness scores. However, balance is critical, as those who get too little or too much of these activities have higher loneliness scores. In response to the survey findings, Cigna has launched a patient-facing assessment for loneliness that’s free to the public. Cigna’s Loneliness Questionnaire measures feelings of loneliness and offers solutions to help. More info at Cigna.com.

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Denise Winston, is a 25-year former banker, author, Guinness World Record® Financial Literacy Program Creator and Presenter as well as a frequent media guest. Winston has inspired and empowered millions of people across the nation to take control of their financial lives.

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Here's our roundup of the latest Medicare news....

Judge Rules Against Effort to Cut Payments for Drugs

A federal program that allows hospitals serving many low-income people to get discounts from drug manufacturers on certain prescription drugs, including many used to treat cancer and H.I.V./AIDS, saw a bit of victory this month. Medicare pays for the drugs when Medicare beneficiaries receive them as outpatients at more than 1,000 hospitals that participate in the program. Last year, however, the Trump Administration concluded that Medicare was paying the hospitals too much. So federal officials cut the reimbursement rate to 77.5 percent of a drug's average sales price, down from 106 percent.

Hospital executives told a federal judge recently that, as a result, they would have to cut back or eliminate some services.

Under the Medicare law, Judge Rudolph Contreras agreed that federal officials have the power to "adjust" reimbursement rates. But, he ruled, they abused that power and "fundamentally altered the statutory scheme." In effect, Contreras ruled that the Trump Administration's first major effort to cut payments for prescription drugs pushed well beyond its legal authority. Contreras said in

his decision the Trump administration made a "drastic departure from the statutorily mandated rates."

The court is still considering how to compensate hospitals for the lost payments, estimated at \$1.6 billion for last year. The cuts are still in effect, but the court has asked the government and hospitals to come up with a remedy.

This Year Clients Still Have Time for an MA Swap

You may have worked long and hard to help clients select a Medicare Advantage Plan that seemed perfect. But what if it turns out it's not so perfect? Well, there's still time to switch!

Effective this year, Medicare clients get a chance between Jan. 1 and March 31 to swap for another Advantage Plan. They can also drop their plan in favor of original Medicare, which consists of Part A (hospital coverage) and Part B (outpatient coverage).

And, as usual, if clients missed their initial Medicare enrollment period and don't qualify for an exclusion, they can sign up now. That coverage won't start until July 1, though. More info at CMS.gov.

Study Finds People Near Medicare Age Very Concerned About Health Insurance

The continued whirl of legislative and legal action surrounding the Affordable Care Act isn't just upsetting to agents, brokers and other folks in the insurance industry. It's making everyday people who are looking to retire in the near future extremely nervous too.

A poll sponsored by AARP and Michigan Medicine focused on those approaching age 65. Researchers with the University of Michigan Institute for Healthcare Policy and Innovation polled more than 1,000 such people nationwide near or during the open enrollment period for employer-based insurance plans, ACA marketplace plans and Medicare.

The researchers found a surprising number of the respondents said they've been closely tracking the news about ACA, health insurance legislation and Medicare. Almost 70 percent said they are very or somewhat concerned about potential changes to their insurance due to changes in federal policy.

Nearly half of the respondents aged 50 to 64 said they have little or no confidence they'll be able to afford health coverage once they

retire. One in four said they were worried about affording health care coverage in the next year. One in five of those polled said they stayed in their current job rather than find a different one or retire solely because they wanted to keep their employer-provided health insurance coverage.

AP Outs Health Insurers Funding of Private Medicare Advocacy Group

The Associated Press reported that the multimillion dollar budget for Better Medicare Alliance, a group gaining influence in Washington as a champion for Medicare beneficiaries, is bankrolled by UnitedHealthcare, Aetna and Humana. Not surprisingly, these three insurance companies together account for close to 50 percent of all enrollees in private Medicare Advantage plans. The organization's website and Facebook page don't disclose where its money comes from, but the info was gleaned through federal tax returns and interviews with the organization's president.

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| FEBRUARY | The Millennial Issue Survey: GA View from the Top | Wellness Part II Consumer Driven Health (HSAs) Life Settlements & IUL Vision | Orange County AHU Business Development Summit |
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A 2019 BENEFITS

By ROBERT C. LOVE

Voluntary benefits are a great way for companies to stand out and capture the best candidates in the workforce, as well as enrich the traditional benefits offering.

During the last several years, changing legislation has brought disruption and uncertainty to the marketplace. Carriers have exited, insurance rates have climbed exponentially, and employers are being forced to scale back employee benefits due to the rising costs of running a business. However, a new year brings a positive outlook and many opportunities to the market.

Industry Insight

In recent years, the Affordable Care Act has produced new legislation regarding healthcare offerings. This, in turn, has created, and sometimes forced, change for carriers, brokers and employers. These changes have caused an increase in the workload that brokers and employers face on a day-to-day basis.

As 2019 begins, we predict a decrease in the number of ACA legislative initiatives. As we've seen in previous years, carriers and providers were quickly exiting from the market and rate increases were fairly steep. Legislation passed in 2018 is combatting this problem. With the repeal of the individual mandate and the reduced federal role, an alternate insurance market has been created, making it easier for carriers to do business. The market is

seeing an influx of carriers joining (or rejoining) the exchanges for 2019 and the average rate increases for medical are substantially less than what was reported in 2017 and 2018.

As we wrap-up the renewal season, rates are coming in lower than previous years. Throughout the country, brokers are seeing "tolerable" low, single digit renewal rate increases for employer groups. This significant improvement can be contributed to the fact that employers are now consistently staying with the same carrier for their company's healthcare, whereas in previous years employers would often change to a new carrier.

Product Development and Expansion

Brokers have more opportunity to expand their product offerings to meet the needs of employer groups. Employers are now favoring more choices when it comes to the coverage options that they provide to employees. Voluntary benefits, sometimes referred to as supplemental benefits or worksite benefits, are an additional benefit option that an employer can offer to an employee. These benefits are paid solely by the employee and are offered in addition to the core benefits package. Voluntary benefits tend to fall into four categories: health, wealth, security and personal.

Health

- Vision
- Dental
- Accident
- Critical illness
- Hospital indemnity

Wealth

- Disability
- Legal
- Financial counseling

Security

- Life insurance
- Travel accident insurance
- Identity theft protection

Personal

- Discount on auto, homeowners, or pet insurance
- Student loan programs
- Concierge services
- Umbrella insurance

Offering voluntary benefits has several positive outcomes for employers. These include: low cost to the employer (usually only administrative costs), an alternate way to control rising healthcare costs, and attracting and retaining top talent. Voluntary benefits are a great way for companies to stand out and capture the best candidates in the workforce, as well as enrich the traditional benefits offering. Year after year, the market sees an increase

OUTLOOK



in the demand for voluntary benefits. Why do employees continually request these benefits?

- Low-cost coverage
- Payroll deducted
- Quick claims turnaround

Voluntary benefits are a cost-effective solution to help offset the out-of-pocket medical expenses and fill the gaps created by high deductibles and rising copays.

The Digital Technology Evolution

With the ever-changing technology landscape, brokers and employers are leaning toward a more digital way to submit business and manage their company's benefit offerings. Both brokers and employers value the convenience and consistency that online tools can provide.

Online tools can help brokers save time by eliminating paper forms, reducing the number of errors on submissions, and creating digital files for groups. Brokers are also using online tools as a way to foster and grow relationships with their clients by facilitating communications.

Brokers have always, and will continue to, place a heavy focus on being able to provide consultative advice to their clients. These various technology solutions allow brokers to optimize

their sales, automate processes, and serve their clients better by improving the customer "shopping" experience. In 2019, broker technology will aim to deliver everything a broker needs to grow and service their book of business, which will allow them to save time, control costs, and maximize value.

For employers, benefits enrollment and benefits administration is a top priority. Online enrollment tools make benefits selection easy for employees by using side-by-side plan comparisons, e-signatures and real-time updates. Employers can use online tools to manage benefits and employee profiles, new hire and open enrollment capabilities, contribution amount management, in-depth reporting tools, flexible portal design and customizable interface, content management tools, and supplemental benefits, such as dental, vision, legal assistance, and veterinary discounts. The end-goal for employers is to find a solution to streamline the integration of all benefit offerings and administration.

This digital transformation has pushed employers and brokers to seek out the same thing: a single, integrated online source for benefits.

Brokers can support their client's digital initiatives by actively seeking out partners in the market that support

and specialize in technology-based solutions. The benefits technology revolution will help brokers grow and maintain their book of business, while also supporting their client's needs. These new products streamline processes and helps connect carriers, brokers, and employers.

This year will bring growth opportunity for brokers who are willing and able to adapt to the changing needs of their employer groups. To provide the most value, a broker needs to listen to their clients and respond with solutions that create efficiencies and bring value.



Robert (Bob) Love joined BenefitMall in 2018 as president, Benefits Division, bringing with him more than 30 years of experience to the BenefitMall team.

In his role as President, Benefits Division, Bob provides leadership and direction for all benefit sales and operations, in addition to leading strategic initiatives. His leadership at BenefitMall supports the organization's ability to execute and implement new products and services to meet the evolving needs of brokers and their clients. Love brings experience leading sales and operations teams in all size markets segments on a national level. Love's background includes leading group sales & service and group distribution on a national level for MetLife, Guardian and Prudential.



SELLING TO MILLENNIALS

IT'S ABOUT CONNECTING

By Naama O. Pozniak

When people say millennials—or any generation, in fact—there's always a little leeway with the definition. So here's how I define millennials: people born between 1981 and 1996. They are, roughly speaking, clients in the 23- to 38-year-old range. Personally, I prefer to call them Gen Y. I've been asked to share how I sell to Gen Y. For me, it's not about selling to this generation though. It's about connecting.

In my agency, we've had the pleasure of serving the Baby Boomers (born 1944 to 1964) and Gen X (born 1960 to 1980) these past 30 years. We've advised many from younger adulthood into Medicare. And now, their own Gen Y babies are adults. What a beautiful thing to be a part of both these generations lives, and what a compliment to see the children of our long-time clients trust us with their benefits solutions. It's our goal to allow change, and trust beautiful teaching moments will unfold as new and different needs present themselves.

As of 2019, Generation Y is the largest cohort. They are a huge demographic with tons of opportunities! Here are some things I've noted in addressing those of Gen Y.

Online v. Face-to-Face

As an agency, we are tailored to assist enrollment and support however our clients prefer to correspond with us. We let the client lead us. The last 10 years, I keep hearing how important it is to be online. Get your social media

going. Have a mobile-optimized website. Have a quoting engine on that site where people can sign up themselves. This is all true. But you'll be surprised to hear that many young people want to come into the office lately. I have this feeling that they want to bring back the connection with a human. I see more young people coming into our agency saying, "Help me understand. Please just be real and help me get this off my plate!" Of course, I help them. Remember, new referrals can come from anywhere!

Sales Tactics

I've noticed the upcoming generation will not respond to old sales tactics.... no selling, no schmoozing. Meaningful and authentic conversation is what everyone wants, but especially our younger clients. Be real. Be honest. Be direct. Direct information will allow you to connect to your client base and allow real communication and conscious connection with your client. All clients, regardless of age, get overwhelmed on the topic of insurance. People get enrolled and on their way when you share quick facts in real-world application that relate to the person in front of you.

Act Fast

These young adults are short on time and quick on intelligence. Many people see Gen Ys as spoiled, impatient, that everything should happen so fast. I hear many colleagues frustrated at Gen Y's slim-to-no patience and need for immediate gratification. Instead of trying to beat this idea,

Gen Y are getting married later, if at all. They don't often own houses. They are struggling to make ends meet either financially or to get everything done in the limited hours of the day.

join it! Remember, this generation grew up around computers and social media. They inherited a post-recession economy. Working to the point of burnout is what they are accustomed to while trying to maintain a public and private life. They aren't impatient or spoiled, they simply don't have enough hours in the day to keep up with it all. I feel that too! Quick is the name of the game. We are on this wild ride to continue to share information with the public. Let's innovate a simpler, quicker way to share the knowledge we have.

Think Thrifty --And Creative

Not only do we need to move quickly, but we need economical solutions for these clients. They want to buy the best, cheapest, most economic policy and be done with it. Remember what I mentioned about a post-recession economy? Gen Y are starting in the workforce with less earnings and capital at their age than previous generations. Don't forget to ask about their income and subsidy eligibility since the individual mandate is gone. And think outside the box with traveler's policies or for those with dual citizenship, international policies etc.. But above all, connect with their needs and you will have their trust.

Stay Flexible, Stay Curious, Listen

Baby boomers had a dream to retire after a lifetime dedicated to one career, but the world no longer works this way. Some positions we now know will be eliminated. Innovation and technology will continue to blossom. More and more people are working freelance. More and more young people want to work for themselves, and many launch their own companies. Job turnover is constant. Gen Y are growing up with this new way of life, so allow yourself to be instructed by them. We should be open to reinventing ourselves to evolve to a faster-paced and quickly changing society. They will be open to the constant shifts and new products in the healthcare industry, and we should follow their inventive, creative and movable nature with our ap-

proach to health and healthcare. Change is happening fast in health, the way we heal and our healthcare system. Look at both ends: Medicare is booming and Gen Y are an even bigger client base. We will need to find a new way to educate and stay informed. Evolution always.

My biggest encouragement is to listen. Listen to the changes. Notice patterns. Gen Y are getting married later, if at all. They don't often own houses. They are struggling to make ends meet either financially or to get everything done in the limited hours of the day. When we lead any generation from our heart with love through meaningful moments, we can increase awareness and encourage people into a real process of healing. The main healing in our lifetime comes from within. It comes from a deeper understanding of the needs of any generation. When we come together and bring our intention, love, compassion and being real with each other, we can heal collectively. When you meet someone, meet them where they're at, find what you have in common instead of thinking "oh man, I don't know how to connect with this person." At the end of the day, the answer is simple... be empathetic, note patterns, connect and stay open. The rest will fall into place. #happynewyear2019 #GenY #AgentsAreTheAnswer #NAHU #LAAHU



Naama O. Pozniak, a member of the Cal Broker editorial advisory board, is Valley Village-based Paz Holding Inc.'s (dba A+ Insurance Service) CEO. Pozniak has been delivering employer benefits for 30 years. She's a mother, a yogi, a speaker, a consultant, a healthcare strategic innovator, and a meditation instructor, certified by the Chopra Center. She is currently a certified healthcare reform and Medicare certified specialist and a Covered California Champion Certified agent. Pozniak was recognized as the Most Influential Woman in benefit advising for 2016 and 2017. She is a Top of the Table producer and holds the life time Soaring Eagle Award. Pozniak was the recipient of the NAHU Distinguished Service Award for 2018 and is currently the NAHU Region 8 Media chair and LAAHU Community Outreach chair.

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- Website, weekly online newsletter offer digital ad options



CALIFORNIA REPUBLIC

SURVEY: GENERAL AGENCY VIEW FROM THE TOP

Compiled by THORA MADDEN

IN THIS MONTH'S QUESTIONNAIRE, A FEW OF OUR FAVORITE GENERAL AGENCIES OPEN UP ABOUT THE STATE OF THE INDUSTRY AND WHAT LIES AHEAD...

Cal Broker:
Have GAs Changed Over the Past Few Years? If so, how?

Jennifer Lisanti, director of sales, Beere & Purves:

GAs are a direct extension of brokers, so just as brokers have been pushed to know more and do more over the past several years, so have GAs. GAs now offer brokers assistance and solutions beyond their traditional services. For example, GAs provide online enrollment support and assistance with compliance and regulatory issues. I would also add that although GAs have always provided ongoing service throughout the year for brokers' clients, the demand for this support has increased. Rules are stricter with carriers due to ACA, etc., and small groups often struggle through the complexity of employee benefits. Clients need help understanding the processes and help fixing errors.

Robert C. Love, president, benefits division at BenefitMall:

Yes, the GA business has been evolving tremendously within the past few years. We are now seeing an increased need for:

- Technology and data integration
- Service levels and responsiveness
- Relationships

GAs continue to develop integrated sales solutions for customers, brokers, carriers, employers and employees. Connectivity and speed of processing new business has grown significantly.

Kristine Pertrosyan, vice president, sales, Dickerson Insurance Services:

I would say, just like the broker's role has changed within the past few years, GAs have had to implement resources that brokers and their clients need. Most of this has been due to the advances in technology or technology-driven broker channels like the Zenefits of the world.

GAs are looking to support the product and support diversification that brokers need in their books of business. We are also utilizing compliance

tools for employers as the fines and penalties of the ACA are coming into play. GAs serve as an even stronger conduit between carriers and agents as all three segments strive to operate as efficiently as possible.

Kevin Timone, senior vice president of sales, LISI:

Different GAs have evolved, to varying degrees, with the changing market. GAs used to provide mainly front-end support for sales, marketing and quoting. But they are now also servicing the back end with the day-to-day administration of in-force business. Today's GAs need to offer a wider scope of services, faster turn-around, and technology that cuts brokers' costs while increasing their efficiency. There is also a greater focus on providing marketing, cross selling, and account management services. At LISI, we've distinguished ourselves with technology that delivers better administrative support and more efficiency from onboarding to in-force business. What that means is that our brokers are seeing considerably faster turn-around times when selling and renewing their books of business. LISI offers real-time connectivity with Anthem Blue

Today's GAs need to offer a wider scope of services, faster turn-around, and technology that cuts brokers' costs while increasing their efficiency.



Special thanks to:

Jennifer Lisanti, Beere & Purves

Robert C. Love, BenefitMall

Kristine Pertrosyan, Dickerson Insurance Services

Kevin Timone, LISI

David L. Fear, Sr., Shepler & Fear General Agency

Cross. Once a group is approved, they get Member ID numbers in real time. It's been extremely popular with brokers throughout the state. We're also committed to offering comprehensive EaseCentral support for brokers of all sizes. Dash is our newest initiative, which allows brokers to submit cases online and track them every step of the way.

Technology only goes so far. Brokers also need to help clients make sense of the complexity that comes with the ACA. LISI continues to enhance broker education and intelligence on plans, networks and rating positions in the state. That level of support gives our brokers the ability to communicate those changes effectively.

GAs also need to help brokers become more sophisticated with marketing. The Digital Marketing Program, available exclusively to LISI brokers, offers a major advantage in the marketplace. LISI offers a dynamic team of copywriters, designers and strategists who come from big brands. Our team helps brokers assess the effectiveness of their website and suggest ways to improve its performance, boosting the success of their agency. LISI provides marketing gurus on call.

**David L. Fear,
Sr. RHU, president/CEO,
Shepler & Fear General Agency:**

Yes, General Agencies have changed as the market has changed – much the same way that employee benefit producers have had to change too. As agents found that they had to offer more value to their clients, the same is true of General Agencies. Today's General Agent not only has a variety of new products and services to offer the agent, but GAs have taken a much more active role in educating and training producers and their staff on contemporary issues such as employee benefit compliance, government affairs and risk management. I also think that GAs—as product aggregators—have taken a more active role in carrier relationships. Providing carrier quotes and enrollment assistance will still be a major part of what GAs provide to

agents, but we're seeing some GAs move into more of a consultative role with their agent customers: Consultative in areas such as regulatory compliance, human resource and employee benefit administration.

**Jessica Word, president,
Word & Brown General Agency:**

The Affordable Care Act has dramatically changed the health insurance marketplace for both brokers and General Agents. To serve the requirements of producers today, it is critical GAs offer a broad range of services to help agents and agencies better address the diverse needs of their clients. We have always emphasized service as part of our value proposition, but we have expanded our services to go beyond guaranteed quoting and enrollment assistance. We deliver more online training than ever before and compliance support from a team of in-house experts – something not available elsewhere. Our Account Management team gives brokers a single point of contact for searches and requests as well as answers to questions on virtually anything—group changes, compliance, administrative issues and more. We help brokers quickly find what they are looking for, freeing them up to focus their time on prospecting and sales.

**Cal Broker:
What Are the Most Important
Market Trends That Agents
Need To be Aware of This Year
in Small or Large Group?**

Lisanti, Beere & Purves: The good news brokers is that it appears we are going into the third year of very flat renewals in the small group market. This will help brokers retain their block and give them time to prospect and add additional lines of coverage to their existing groups. The insurance industry moves slowly, so bridging the gap with today's faster paced world and the preferences of younger employees can be a challenge. It is still a relationship business and clients need assistance with our complex industry, but

they are looking for convenience, efficiencies and compliance help. Brokers need to continue to adjust their services and work styles to meet these newer demands.

Love, BenefitMall:

Currently, medical renewals have softened a bit, causing employers to be more persistent with their selected carrier. We're seeing employers consistently stay with the same carrier year after year. While this is good news, it also opens a window where brokers can introduce new technology, or improve current technology, that an employer is utilizing to administer their benefit programs. Employers can use online tools to manage benefits and employee profiles, new hire and open enrollment capabilities, contribution amount management, in-depth reporting tools and supplemental benefits. GAs have a significant opportunity to be the all-in-one technology solution for brokers and employers.

**Pertosyan,
Dickerson Insurance Services:**

Even though rate increases have stabilized in the last couple of years, employers are still carrying the burden of high premiums. It's important for brokers to consider other types of policies or plans that can supplement the standard fully insured plan.

Compliance is the shadow I see hanging over the industry. Now with California stepping out boldly with their own agenda, agents will have to maneuver and advise with directives that are compliant with ACA directives and California initiatives as they are implemented. Brokers also need to think outside the traditional carrier 'box.' What other viable options are there to help their clients achieve or maintain benefit affordability while maintaining compliance?

Timone, LISI:

There is a stable market with smaller rate increases throughout California, so agents need to work harder for sales and hunt aggressively. With increased competition for talent, more virgin

groups are seeking insurance. Also, larger employers want a wider range of coverage to attract top talent. LISI offers the largest product portfolio of health plans and ancillary benefits. With CoPower's packaged benefits, employers have a turnkey way to boost their benefit package. Another trend is that larger employers are adopting HRIS platforms. At LISI, we have the tools to connect with those platforms. In order to advise employers, brokers need to understand trends like the Aetna/CVS merger as well as greater transparency in hospital and pharmacy costs. Our Intel department arms brokers with the insights and analysis to consult with their clients effectively.

Fear, Shepler & Fear:

In the small group market, I see continued stability when compared to the individual market. While most of the press reports focus on continued challenges in the individual market, what they tend to leave out of their reporting is that the small group market has stabilized and there are more players in this market than in the recent past. The trends I see in the small group market are: Continued movement to narrower provider network products in order to keep premium rates lower; continued erosion of PPO products toward more HMO/EPO (i.e.—no out of network benefits); more movement to high deductible plans that are wrapped with HRA/HSA/FSA programs.

In the large group market, I see continued movement to alternative funding including self-funding, level-funding and HDHP/HRA programs. In that regard I also see greater movement toward the use of Third Party Administration (TPA) services as opposed to carrier provided Administrative Services Only (ASO) programs. I see a continuation of large employers moving to Reference Based Pricing away from traditional PPO or UCR programs for their non-HMO offerings. And finally, I see large employers continuing to demand better service and pricing of that service from their TPA/ASO vendors.

Word, Word & Brown:

Technology is increasingly important to brokers and their clients, whether they're small or large Groups. A tool that is very popular with our brokers is an app that gives members in some of our partner carriers' health plans instant access on their smartphones to their Medical ID Card information. Technology that integrates online enrollment with benefits management is also gaining traction. It used to be that only larger employers could afford integrated HR, benefits and payroll tools; however, much more cost-effective solutions are now available to both large and smaller businesses. Brokers can offer an all-in-one program to their clients that brings together hiring, onboarding, benefits enrollment, employee records, time management, compliance, payroll and more. It is important that benefits professionals stay on top of new technology, which can help them build stron-

ger relationships with their clients and ensure continued retention.

Cal Broker:

What kinds of GA Services Are Most Vital To Today's Agents and What Should Agents Keep in Mind when Choosing a GA?

Lisanti, Beere & Purves:

The regulatory complexity of our industry, and the increasing demands of clients, mean that it is imperative that brokers work with GAs that are knowledgeable and responsive. A GA needs to make the process as quick and smooth as possible so that the broker can provide high levels of satisfaction to today's demanding clients.

Having a GA partner allows brokers to save time, sell more, better service their clients, and become more profitable by offloading the work on GAs. When I started in the industry, GAs channel for carriers, but now GAs are



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full service extensions of a broker's office.

Love, BenefitMall:

The most important GA services are those that make the life of the broker and the employer easier. Whether it is technology, daily service needs, or just a hands-on blue collar work ethic, a GA that is focused on making a broker and employer more productive and efficient each day will succeed. A GA that provides and specializes in tools and technology that provide the customer with a simplified process and ease of administration will also succeed. Agents are seeking a true partner in this line of business and that partner must offer multiple sales and service solutions, above and beyond standard medical.

Petrosyan, Dickerson Insurance Services:

Organizational and representative knowledge. Technology opportunities and support for the agents. Educational opportunities and collaborative support for the agents.

A GA who treats every broker with the same enthusiasm and support. Even though technology support is vital in today's environment, the GA role is also to support the broker from the beginning—running the initial proposal all the way through the installation and servicing of the client.

Timone, LISI:

The trend is for more brokers to work through general agencies instead of going it alone. Responsiveness, accuracy and market knowledge are key. Brokers need a full suite of services related to compliance and technology and, in some cases, payroll. The good GAs will leverage online enrollment and API/EDI connections. The areas that brokers value the most are LISI's responsiveness, accuracy and market knowledge. Since LISI has the largest product portfolio, there is very little that we can't support or assist with from re-

gional to state-wide carriers. Brokers also value our real-time technology, case installment, open-enrollment support, and year-round administrative support for all size groups. We take great pride in the tenure of our regional sales managers. When people think of LISI, experience comes to mind. LISI continues to be at the forefront of API and EDI connections with various partners. We continue to leverage technology to manage books of business with internal and external efficiencies. When brokers are looking for a GA to choose from, they should research whether the GA has opted to be backed by private equity and venture capital versus those that have remained locally owned and operated with long-term investments. Brokers need general agencies that are investing in the future, not the short term. LISI has a huge focus on onboarding new brokers, educating them, and becoming a partner in their success. We've played a big role in helping grow new agencies and agencies that have been purchased. LISI remains true to quality, not quantity in sales support throughout California. We compete on service and integrity. May the best GA win!

Fear, Shepler & Fear:

The general expectation is that the average GA will continue to provide basic quote and enrollment assistance for the broker. That is just a starting point as GAs are now featuring many other value-added services and innovative new products that were not on the radar 10 years ago. For example, small group GAs are now expected to assist agents in the placement of individual coverage as smaller employers drop group coverage and elect to implement QSEHRA's for their employees. Another example is the need to be able to assist brokers in renewals so that their clients know that their agent is shopping out their coverage and assisting in evaluation plan usage and design so that the right cost/benefit ratio is achieved.

The enactment of health care reform at both the Federal and State level means that brokers need assistance in explaining the law to their clients and a GA can be a key partner in that regard. The expectation is that a GA should be as expert in a carrier's product as much as the carrier themselves. They must have an in-depth knowledge of those products and services that they are representing. Will the GA do more than just assist in the sales presentation and enrollment of the account? What sort of additional consultative services are available from the GA? And finally, how much "backroom" service will the GA provide to the independent benefit producer?

Word, Word & Brown:

For brokers, it is important to look for a partner who can help you not only find and write the business, but keep it. A General Agent staffed by the right people—with the right attitude and the right tools—is critical to a broker's long-term success. A broad portfolio, training and education, innovative sales and marketing tools, cutting-edge technology, and local support are essential. An experienced, multi-faceted sales team committed to helping you—online, on the phone, and in-person—makes a huge difference. If you are an agent comparing GAs—either because you're new to the market and industry or because you're unhappy with your current partner—it is important to get to know the people with whom you will be working. Is the broker support team staffed with newbies, or does the team have lengthy tenure? Does the GA stand behind its quotes? Are their rates guaranteed-accurate? Does the GA have an underwriting team committed to 24-hour turnaround? Do they have the carrier relationships to help you be successful? Do they offer the support you need to avoid administrative work and focus on sales? Those kinds of things really matter, and they're more important today than ever before.

NEW INSURANCE TREND COMBINES VOLUNTARY PRODUCTS

The health care market continues to evolve

By STEPHANIE SHIELDS

Americans experienced a revolution in 1954: the TV dinner. That was the year mass sales began of frozen meals comprised of three courses—a meat, vegetable and dessert – that took the same time to cook. Although frozen meals have been refined and improved over the years, the premise remains the same. People who are pressed for time or simply don't want to cook can still enjoy a hot meal in a couple of minutes.

The insurance industry is currently experiencing a comparable revolution. In the past, employees have had to apply for and purchase their insurance coverage piecemeal. This involved choosing from a menu of products that covered a variety of situations, from accidents and illness to dental needs and more. It required time, research and a thorough understanding of the financial impact of both major and minor medical conditions—and unfortunately, employees may have had their focus elsewhere, not giving proper time to benefits choices.

Today, many insurers are helping make the selection process easier by offering practical, cost-effective product combinations—two or more policies that work well together and provide enhanced coverage. Others are innovating in the space by developing “hybrid” policies. These combine the protections of several types of cover-

age under one overarching policy that helps protect consumers from a variety of health-related expenses.

Changing needs, changing products

Why are companies introducing convenient product combos? In many instances, it is due to shifts in consumer needs as the result of changes to the U.S. healthcare system. For example, 84 percent of U.S. employers offer consumer-directed health plans to their workforce. Furthermore, in 2018, a high-deductible health plan ranged from \$1,350 to \$6,650 in out-of-pocket costs for an individual policyholder and \$2,700 to \$13,300 for a family.

As the health care market continues to evolve, agents, brokers and employers are looking for ways to help ease the pain of spiraling health care costs, including copayments and deductibles. Employers, in particular, are looking for solutions—and voluntary products are a natural fit. After all, 81 percent of employees see a growing need for voluntary insurance benefits, and 90 percent at least somewhat consider voluntary insurance as part of a comprehensive benefits program.

Still, as employers contemplate adding voluntary insurance to their employee benefits options, they have questions about what products to offer and when—as well as how to advise their employees on which products to choose.

Expecting employees to research, understand and choose from a wide variety of voluntary insurance products is cumbersome. At Aflac this is why we developed a product called BenExtend® that combines the aspects of three key products: group accident, hospital indemnity and critical illness insurance plans. Customers can certainly purchase these individual policies, but by incorporating popular benefits from different products into one simple plan design, we are giving employees the coverage they need to help guard their finances against some of the most common—and expensive—illnesses and injuries, all in one convenient plan.

Products with strategic benefit combinations are emerging as a new trend in insurance. These types of products can help remove much of the decision-making burden from companies and employees. This will help clients save time and effort as well as allow them more time to focus their attention on running the business.



Stephanie Shields is vice president of premier broker and product solutions at Aflac. Her responsibilities include driving growth and deepening partnerships with Aflac's top broker and consultant partners, as well as driving innovation through the continued expansion of Aflac's U.S. product portfolio.

ADDRESSING THE VISION BENEFIT NEEDS FOR TODAY'S MILLENNIAL WORKERS

Medical researchers and studies found that certain vision problems, such as nearsightedness and digital eye strain symptoms, have increased significantly for young adults over the last three decades.

By JILL PURCELL

As the largest generational cohort in the United States and now of working age, millennials represent more than one-third of the workforce. It's no surprise that this generation has been a popular topic of conversation, especially among employers and benefits professionals.

Benefits managers, consultants and brokers are all trying to better understand how benefits motivate millennial workers. In the drive to attract talent, some benefits viewed as popular with millennials, such as pet insurance, are receiving a lot of time in the industry spotlight. However, market research suggests vision insurance should also be a part of the millennial conversation.

In a 2018 enrollment survey, Unum found that the elimination of vision benefits could motivate a quarter of U.S. employees to begin looking for another job. Among workers ages 25 to 34, that number rose to 34 percent.

Other employee benefit studies also indicate vision benefits remain one of the most popular employee benefits even as millennials flood the workforce. Yet, millennials' ap-

preciation for vision insurance and low vision plan participation rates are presenting a bit of a millennial-vision benefits puzzle for some professionals.

Here are three millennial vision needs that may help solve this riddle and help create a vision benefits message that resonates with millennials.

Understand specific vision care needs

Medical researchers and studies found that certain vision problems, such as nearsightedness and digital eye strain symptoms, have increased significantly for young adults over the last three decades.

According to a 2009 article in JAMA Ophthalmology, a study found myopia or nearsightedness was 66 percent higher among adolescents and young adults compared to 30 years prior. This also means more young people require vision correction.

Advances in technology have also elevated vision problems, with longer exposure to blue light from digital screens. As the use of digital devices increases, more people are ex-

Younger millennials are new to the workforce, and find coverage and insurance language extremely confusing...these individuals...need thorough health insurance lessons, starting with the basics.

periencing digital eye-strain symptoms. This is especially true with millennials, having grown up with access to multiple devices and extended screen times as social norms.

In 2018, another Unum poll found that about 56 percent of U.S. adults spend more than eight hours a day looking at various digital devices, including smartphones, tablets, laptops and television screens. However, that percentage increased when examining responses from Generation Z and millennials, including:

- 66 percent of those ages 18 to 24
- 61 percent of those ages 25 to 34

In the same poll, these Generation Z and millennial respondents were also more likely to experience one or more symptoms of digital eye strain, compared to respondents in other age bands. Optical professionals suggest that many suffering from digital eye strain or eye fatigue may not recognize all of the symptoms or the cause in some cases.

The increase in these vision problems helps illustrate the need for vision care with relevant issues, and can help brokers tailor a vision message specifically for millennials.

Provide Vision Health & Wellness Information

Vision health is an essential part of overall health—a message worth repeating to everyone, regardless of age. Even healthy eyes need regular, comprehensive eye exams, but so many young adults today forgo these exams. This health-focused generation is not intentionally neglecting their eyes or vision health. Millennials simply misunderstand or lack the knowledge about general vision health and its correlation to overall health.

In 2018, Transitions Optical's "Employee Perceptions of Vision Benefits" survey reported that younger workers were more likely to have misconceptions about vision health and benefits. The report indicated that these misinterpretations likely contributed to lower plan participation rates of Generation Z and millennial workers.

According to a 2018 LIMRA report, nearly half of workers who do not enroll in vision benefits said that they either did not see the value or believed they did not need vision benefits. Benefits professionals can help correct these misconceptions and increase vision plan enrollment with more vision health education.

Employee surveys and research suggested that millennials needed education that supports the following

messages and concepts:

- Healthy adults need regular comprehensive eye exams, even if they see perfectly fine.
- Individuals often do not notice vision changes or symptoms during the beginning stages of most vision problems.
- Eye doctors can usually detect (and determine how to treat) many vision issues through a comprehensive eye exam before symptoms are noticeable.
- Treatment is most effective when there is early diagnosis of vision issues.
- Vision screenings are not the same as comprehensive eye exams given by eye doctors.
- An eye or vision test from a primary care physician is not the same as a comprehensive eye exam with an eye-care professional
- Through regular, comprehensive eye exams, eye doctors can help detect and diagnose other serious health conditions, such as diabetes and high blood pressure.

Some millennials just need accurate health information to reevaluate their enrollment decision and start receiving regular eye exams.

Brokers may find that some employer clients may also need a vision health refresher course. But, there is good news: The same vision health information presented to employees can be presented at a higher level to employers and decision makers. When speaking to group clients, brokers may want to include the business implications of a workforce's vision health, focusing on productivity and organizational costs. The right plan and benefits can help employees access more affordable care while keeping the workforce healthy and productive.

Increase Benefits Education

A strong need for vision care means vision benefits meet a demand. However, much like vision health, millennials need to accurately understand how vision benefits work to make appropriate enrollment decisions.

Younger millennials are new to the workforce, and find coverage and insurance language extremely confusing. Unless they've chosen a career as a health care provider or benefits professional, these individuals will most likely need thorough health insurance lessons, starting with the basics.

Brokers may want to provide additional help with defining basic benefit vocabulary and acronyms. Many terms

can sound like another language. Young workers are new to the job market, and health insurance can be intimidating and overwhelming. With this in mind, benefits professionals in HR may want to reconsider their onboarding approach after hiring a Generation Z or millennial.

During employee benefits or enrollment meetings, brokers may want to plan for additional time with millennials to explain how insurance benefits work. Historically, vision plans typically do not receive a lot of attention during these meetings. However, brokers may want to consider using vision plans to introduce some basic health insurance concepts to younger workers.

Vision plans offer straightforward in-network benefits and out-of-network allowances—perfect for explaining and demonstrating preferred provider networks. In addition, vision plans have much lower monthly premiums compared to medical, dental and other health insurance plans. Consequently, the cost of vision benefits is less likely to frighten frugal millennials.

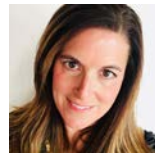
Brokers also need to be aware that some young workers may still be enrolled on their parents' vision plans. Although healthcare laws are subject to change, parents can keep their dependent children covered on their health plans until age 26. This may save young adults the cost from monthly

premiums, but that is not always the best choice.

Young employees should compare their parents' plans to their employer's plan to determine the best value, so they will need advice and direction on how to compare benefits. This is another excellent opportunity to start educating newer workers about specified benefits and general health insurance concepts.

While consultants and brokers have the expertise to provide benefits education, employers also play an important role by committing to year-round communication with employees. An ongoing wellness conversation with employees is easier to maintain when benefits professionals collaborate, and the end results are well worth the effort.

Regardless of the employer's approach to vision benefits, recent research has identified a vital market need that's easy for all to see: Millennials and younger workers need more relevant and accurate vision health information and benefits education.



Jill Purcell is the assistant vice president of product and market development at Unum, primarily focused on supporting Unum's dental and vision products. In addition to her marketing and business expertise, she has 14 years of industry experience in the financial and insurance sectors.

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HEALTH & WELLNESS MILLENNIALS DO IT



DIFFERENTLY

By HOWARD JACOBSON

Companies that demonstrate care for their employees as people, and not just human capital, win by attracting, retaining and motivating millennials to do their best.

Millennials do healthcare differently than preceding generations. They have different values, different desires and different needs. The industry must change in order to meet their needs. Let's look at some facts about this ascendant generation, so we can tailor our offerings to serve them well.

Millennials value convenience over relationships with healthcare providers

Startlingly, only 50 percent of millennials have a primary care provider. Instead, they look for on-demand clinics with convenient hours, and online healthcare visits that provide just-in-time services. And they demand value for money spent.

Traditional healthcare plans, in which participants choose or are assigned to a PCP, don't interest millennials. They prefer and are drawn to organizations that provide telemedicine visits and walk-in clinics that adhere to effective, evidence-based protocols.

Millennials are rejecting the lack of work/life balance that characterizes Generation X.

They want to work not simply to survive or accumulate wealth, but to afford themselves a meaningful life. Surveys show that millennials would trade higher salaries for an appealing work culture.

Companies that demonstrate care for their employees as people, and not just human capital, win by attracting, retaining and motivating millennials to do their best. Rather than working overtime for more pay, millennials will dig deep for organizations to which they feel affinity, gratitude and loyalty. Investing in innovative healthcare solutions that speak to millennials is one way for companies to signal their commitment to a culture of care and respect.

Also, encouraging and enabling employees to devote

Whether it's the cocooning caused by erosions of traditional social networks, or screen addiction, or the disappearing middle class, the millennial generation is experiencing stress, alienation and burnout at rates not experienced before.

time and energy to their health and fitness produces a more engaged workforce. And there has never been a generation more in need of lifestyle medicine than this one.

Millennials Desperately Need Wellness

As millennials replace their "singles" lifestyles with the responsibilities of family life, they report more chronic loneliness than previous generations. Whether it's the cocooning caused by erosions of traditional social networks, or screen addiction, or the disappearing middle class, the millennial generation is experiencing stress, alienation and burnout at rates not experienced before.

This plays out not just in surveys of mood, but in their poor health as well. The Health Foundation reports that once millennials reach middle age, their health status is worse than their age-matched parents. The convenience that they adore comes with a price in this society: ready-to-eat foods that compromise health combine with 24/7 entertainment from screens large and small to create an overfed, undernourished, sedentary, stressed-out population.

Organizations that employ millennials urgently need to address this ticking time bomb of chronic disease. Waiting until employees develop clinical diagnoses of type 2 diabetes, hypercholesterolemia, hypertension, cardiovascular disease, autoimmune diseases, or cancer, and then treating those conditions with drugs and procedures, is a recipe for fiscal disaster and a catastrophic waste of human resources.

Traditional Won't Work for Millennials

Traditional workplace wellness programs aren't the solution for millennials, though. Analyses show that they don't work in lowering healthcare costs; proponents are reduced to arguing that ROI doesn't matter, that they're just the right thing to do. But the right thing to do should also be effective, in addition to well-intentioned.

Instead, we need a lifestyle medicine approach to sick care. We need to use the tools of wellness – healthy diet, vigorous physical activity, sleep hygiene, stress busting, smoking cessation – to halt, reverse, and prevent this modern plague of chronic disease. And to do it in a way that engages millennials.

This approach needs to emphasize convenience, through on-demand telemedicine. It needs to leverage the power of community for this lonely generation, using cohort-based programming to bring millennials together socially in the pur-

suit of health and fitness. And it needs to be bold in sharing what is required to avoid and reverse chronic disease:

- To teach and empower employees and their families to eat really healthy diets, and not assume that big change is impractical or people won't do it
- To inspire and guide employees to consider physical movement a requirement of human life, rather than a "thing" you're either into or not
- To share and guide employees in practicing cognitive and neurobiological techniques to deal with the ever-increasing stresses of our wired, always-on lives

Lifestyle medicine is the perfect branch of the healthcare system to accomplish these goals. Because its chief currencies are information and empowerment, it's perfectly suited to telemedicine.

Because it focuses on the whole human being within their social and physical environment, it appeals to lonely, alienated millennials who long for community and caring in all aspects of their lives, including work.

And because it addresses the cause of the chronic disease epidemic, it speaks to the millennial obsession with value. The mainstream system of treating symptoms while ignoring root causes has brought our economy to the brink of collapse, squeezed out the middle class, and led to the suffering of millions who didn't know they had the power to choose their health destiny. No millennial can look at that old system and think, "That's a good use of our resources."

Empowering millennials with the tools and practices of lifestyle, by contrast, will prove itself quickly through reduced need for medication, weight loss, and improved mood and productivity. It's the prescription we need to get our companies and our country back on the right track.



Howard Jacobson, PhD is chief behavioral science officer at WellStart Health and author of Sick to Fit. As co-founder of digital health company, WellStart Health, Howard guides clients to adopt and maintain lifestyle and dietary habits in alignment with their health goals and life values. WellStart Health engages large and midsize self-insured companies to work with high risk employees, making a direct positive impact on their bottom line while cultivating a healthier, more productive workforce and culture. Find out more by going to www.wellstarthealth.com



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HOW TO HELP CLIENTS BUILD A CULTURE OF WELLNESS

By MEGAN WROE

Employers now know that wellness programs are an essential part of an effective workplace environment. Not only do they save healthcare costs and reduce absenteeism, but they also create a positive employee culture that promotes team connection and company loyalty. The problem businesses now face is not whether to implement a workplace wellness program, but how. So many programs and platforms are being pitched to employers that it can seem overwhelming as to which one will actually stimulate effective healthy change for the company team.

The current gold standard for building successful health promotion programs is Dr. Michael O'Donnell's AMSO Model. AMSO stands for Awareness, Motivation, Skills and Opportunities, which, according to the model, are the essential pillars of health behavior change. Awareness is the education piece. Many companies utilize lunch and learns, health fairs and health screenings as tools to provide useful information on various health topics to their employees. Motivation entails providing employees with some sort of external motivator with the intent of encouraging internal motivation as well. Examples could be monetary rewards, reimbursements, paid time off or other material rewards. Skills refers to improving the self-efficacy of the participant. Cooking workshops, fitness boot camps and online training modules can all be used to enhance skills needed for health changes. Finally, opportunity indicates an overall emphasis on wellness in the workplace environment. For instance, if a workplace has a cafeteria that offers only junk food, employees do not have the opportunity to choose healthy foods, even if they have learned about better choices and been given tools to read labels.

While the AMSO model is an excellent template for addressing the needs of wellness program participants, it leaves which components of wellness should be included open to interpretation. A company could focus solely on healthy eating, for example, by offering hands-on lunch and learn workshops lead by a dietitian as well as providing healthy snack options in the vending machine. However, this food-focused program would not address the underlying stress employees might be experiencing, or their potential lack of movement, or their need for improved sleep techniques. These gaps lead to an incomplete picture of wellness that will not be effective in truly impacting long-term health. Based on my experiences leading a variety of health and wellness programs, a holistic approach that includes multiple aspects of targeted health services is crucial to implementing a workplace wellness program that will actually work to move to a corporate culture of wellness.

Here are 5 Key Components to Build a Corporate Culture of Wellness

1. Movement that Matters. According to health experts, sitting is the new smoking, as it has become one of the leading contributors to chronic disease. Lack of education does

not seem to be the culprit here, however. Employees tend to need more motivation, skills and most importantly, opportunities in this arena. Worksites that have a gym are well situated to have a personal trainer routinely promote exercise on site. However, even if a gym space is not an option, a comprehensive wellness program with a fitness expert could provide fitness tools around the company location, such as walking path markers, posters to promote taking the stairs, and Fitbit challenges to meet step goals.

2. Real, Nourishing Food. Education is critical for this component. There is so much mixed information in the media about what is healthy that most people are very confused. Lunch and learns are a great way to promote nutrition education, but the information needs to be consistent, provided on a frequent basis, and backed with current food science. One seminar a few times a year is not enough to provide quality education. I recommend 1-2 nutrition sessions per month, ideally providing samples of healthy foods within these classes in order to create self-efficacy around the concept of actually being able to enjoy healthy foods. A dietitian can also consult with management to implement skill building activities, such as cooking classes or grocery tours, and supported with handouts and online videos. The goal is to build environmental change, and a healthy potluck competition or a list of healthier items for hallway vending machines can add to the comprehensive education program.

3. Psychological Wellness. Stress isn't going anywhere so employees need to be armed with strategies on how to handle their stress and their time more wisely. Psychological wellness encompasses so much more than just stress management. While it is important to coach employees how to better handle stress, it may be even more important to help them uncover reasons for their health-sabotaging behaviors and come up with tools to improve their previous habits. Typical health coaches can provide beneficial education on this subject, but a licensed therapist with a background in stress resilience, eating behaviors and cognitive psychotherapy is truly the professional who can teach lasting behavioral skills. Many carriers offer support online or over the phone which can help. Due to the sensitive nature of personal health issues, some individuals may choose to keep a health journal which can be a great outlet for stress. To get through more difficult issues individually, private counseling offers great success.

4. Relaxation & Self-Compassion. These aspects of health are almost always overlooked in workplace wellness. Most programs focus on step goals, fitness competitions and weight loss comparisons. However, such intensity can actually drive increased stress and may even lead to lowered morale if certain individuals cannot keep up. Moreover, studies show that negative mindsets and deleterious self-talk can stimulate an increase in inflammatory markers, which leads to increased risk of metabolic diseases. Stretch breaks, yoga

Any successful wellness program needs to have an aspect of accountability, whether that is from regular documentation of goal setting or from consistent meetings with a coach or other health professional.

classes, motivational team huddles and regular positive affirmations and messaging can promote a culture of confidence, self-compassion and creativity which can lead to an enhanced focus on job tasks.

5. Accountability & Connection. Short-term competitions, one-time health fairs and annual wellness campaigns certainly have their place in creating education and awareness around health issues. However, these short-lived, sporadic instances do not create lasting motivation for change. Any successful wellness program needs to have an aspect of accountability, whether that is from regular documentation of goal setting or from consistent meetings with a coach or other health professional. Your employees need to know that someone is not only paying attention to their behaviors, but that someone truly cares about their success within their health endeavors. Again, health coaches with a routine presence on site are in the perfect position for this kind of accountability and if these same coaches are also leading the workshops and campaigns for the other components of the program, their familiarity will create trusting relationships and connection amongst all other participants. Journaling or keeping a workbook can be tools to help track performance measures as well as attitudes and emotions.

At the St. Jude Wellness Center in Brea, CA, we have developed the REACH workplace wellness program that encompasses all five pillars of successful health programs and utilizes AMSO as a guideline when creating our curriculum. The REACH acronym stands for Realistic, Eating, Accountability, Connection and Holistic Health, with each piece symbolizing the five health pillars. Our primary team consists of a registered dietitian, a licensed psychotherapist and a certified functional fitness trainer. We provide a workbook of recipes and meal plans for participants to start with to develop their skills with health food. Lunch and learns are provided on a biweekly basis on a variety of topics from label reading and meal planning to understanding our relationship with food. New exercise circuit workouts are created monthly by the trainer, and can also be taught in person if there is a gym on site. Monthly personal coaching sessions are offered with either the dietitian or the psychotherapist and a weekly

email is sent out with skill-building tools, guides, inspiring articles and positive affirmations. Our team is also available for workplace environmental change consulting, such as how to improve vending machine food options, cafeteria menus, office space fitness suggestions, circuit workouts for on-site gyms, and motivational posters. We also have contracted team members, such as yoga instructors and meditation leaders, who are available on an as-needed basis. For those outside of our geographical vicinity, our program is also modifiable for online needs. WebEx lunch and learns and telehealth coaching sessions are options for companies who cannot utilize our program in person.

The REACH program is modifiable to fit company needs and while I am proud of this program I have helped to design, it is important for all employers to shop around and find the program that best fits the needs of their team and the culture of wellness they are trying to implement. Be sure to look at the multiple aspects of health that your employees may need assistance in implementing, rather than jump on a single-focus program that promises fast results. These one-time programs, such as individual health fairs or annual weight loss competitions, may seem cheaper and easier to integrate, but they rarely create the long-lasting change that your team and your company need for a culture of true health and wellness.



Megan Wroe is a registered dietitian and health coach. She received her Master's Degree in nutrition and food science at Cal Poly Pomona and completed her dietetic internship at the VA in Los Angeles. After years in the field of pediatric outpatient nutrition, Megan became a Certified Lactation Educator and more recently, became certified as a Culinary Nutrition Expert, making her a

professional at putting nutrition recommendations into actual food experiences. Megan is currently a lead health coach at St. Jude Wellness Center. She works directly with clients for both individual consultation and in teaching health and wellness programs. She also works with employers and advisors/brokers in implementing wellness programs into their company workplace. All other members of the St. Jude Wellness Team have masters degrees and are highly trained in their areas of expertise. For questions on how we can help either your employees or your clients to start a comprehensive wellness program and for guidance on steps to get started, contact Megan at megan.wroe@stjoe.org or (714) 578-8729.

BECOMING A WELLNESS RESOURCE CONNECTOR

By PHIL CALHOUN

As benefit consultants we are in the ideal position to help our clients add to or enhance their employee benefits package by adding wellness programs. Most brokers cover a range of voluntary benefits and offer education on how employees can get their medical coverages working best for them. With wellness programs we suggest ways you can step it up and offer valuable life changing programs that can help lead your clients to a foster a company culture of wellness. While we do not need to know it all we do need to access professionals who have the expertise to assist us assist our clients. Looking to insurance carriers or health care providers for wellness resources can help add some key pieces of the wellness picture and is an excellent starting point. For those who want to rise to another level they can insert themselves in the development of their client's wellness program as a resource connector in the effort to create a corporate wellness culture.

The Broker's Wellness Team Member Role:

- 1.** Introduce how wellness can help with employee morale, lead to greater retention and improve productivity as well as impact medical claims.
- 2.** Carefully select who you bring in to work with your clients. Your selected broker friendly professionals should be able to develop, implement, and maintain a corporate culture of wellness.
- 3.** Arrange an introduction to a wellness resource professional and play a vital role to help bring new and proven wellness components to your client. This connector role helps elevate you as part of the health and wellness team.



Think of yourself as the supporter who is helping your employer build and sustain a corporate culture of wellness.

- 4.** Enjoy the role. Imagine how your valuable contributions will be seen by employees and management when you add this capability to your benefits consulting tool kit.

Some resources outlined this month and in last month's Cal Broker are examples of professionals you can contact or you can find and build your own team by connecting with local professionals. Mika Leah who last month covered wellness programming ideas, provides a network of wellness professionals that can be an excellent connection no matter where your clients are located or what wellness program they want to implement. This month Megan Wroe offers her professional expertise and outlines the key components needed when developing a corporate culture of wellness. Megan and her team can provide company level or individual education to address a comprehensive corporate wellness programs for your employer clients both remotely and onsite.

A final component of your advisory team is a broker friendly HR professional. Last month Lynn Hounsley contributed to our wellness article. Lynn is an experienced HR professional who weighed in on HR issues with wellness programs and can address your client's questions.

2019 can be the year you bring a comprehensive corporate culture of wellness program to your employer benefits problem solving package!



Phil Calhoun, a member of the Cal Broker editorial advisory board, earned his health and life license in 1990 which led to the development and launch of a private label Medicare HMO, Golden Outlook. He was recruited into Orange County as vice president of business development for a large hospital in 1993 where he started an insurance agency as a subsidiary for the non-profit hospital. Phil's 24 sales and admin staff offered group, individual and Medicare plans. In 2016 he executed a three-year plan and sold his agency and moved all of his retail clients to Integrity Advisors. He also helps brokers with succession planning through Lambda Insurance.

Six Key Considerations When Advising Millennial Clients

By MISTY WELTZIEN

As an advisor, it's easy to overlook connecting in person with current and prospective millennial clients. The generation consisting roughly speaking of today's 22- to 37-year-olds is tech savvy and efficient. Why spend time in person with the population who turns to online tools and the latest apps for personal finance when you could be acquiring your next high net worth client or booming business owner?

When it comes to financial planning, skipping out on this generation would be a big miss for advisors. Not only are millennials extremely receptive to advice, but it is projected that millennials will inherit the largest amount of personal wealth of any generation, known as the great wealth transfer. Also, contrary to stereotypes, millennials value human experiences as much as they value tech-driven solutions and digital efficiencies.

In particular, millennials are more likely than any other generation to say that having a financial advisor they trust is important to their financial confidence. According to a recent Guardian study, "Millennials and Money: Understanding What Drives Financial Confidence," millennials value a balance between digital and human experiences to be financially confident. Interestingly, the study reveals millennials prefer to communicate with an ad-

visor via face-to-face meetings and that nearly three-fourths say they would be open to attending an in-person financial seminar. This means there is a strong opportunity for advisors to work with millennials early on in their financial planning journey, establish a cadence for regular contact and provide them with the guidance to reach their financial goals.

The study reveals some key findings in terms of millennials' financial planning habits and preferences. Whether you're an advisor hoping to find your first millennial client or if you've been working with them for years, there are some important steps you should consider taking when working with this generation.

Start with a Plan that Plays Offense and Defense

When it comes to overall financial confidence, millennials across the U.S. say having a detailed financial plan is equally as important to them as getting a bonus at work. This is a compelling discovery, revealing that the career-driven generation places significant value on financial planning. As a result, you should place high importance on developing thoughtful plans tailored for each of your millennial clients. Be sure that planning for this generation includes a strategy to position millennial clients on both offense and defense—Use this analogy to discuss incorporating tactics

for growing and investing their money, while also leveraging defensive tools like life insurance or disability income insurance that will help protect their financial futures in the years to come.

Incorporate Liquidity

Guardian's study reveals that millennials value liquidity and access to their money. Millennials have entrepreneurial aspirations, such as opening their own businesses or investing in real estate. All of these require access to money in a way that 401ks and IRAs may not allow. Explore conversations about the options available and how millennials can build a plan that creates easy access to cash, while also setting some funds away for longer-term growth. Additionally, present millennials with a range of vehicles that can offer liquidity and growth options. For instance, life insurance policy cash values can be accessed to fund major life milestones such as education or buying a home later in life. There are a variety of products and tools that can meet their unique needs, so it's important to emphasize options.

Convey the Importance of Strong Savings Habits

Come up with some basic savings guidelines for clients to stick to, such as setting aside 15 percent of gross pay for emergencies and regular contributions to retirement plans. As the



It is projected that millennials will inherit the largest amount of personal wealth of any generation, known as the great wealth transfer.



generation is typically comfortable with online functions, encourage them to set up automatic deposits into savings accounts. Make sure savings goals are realistic and achievable based on current expenses and income. Millennial clients have the opportunity to build strong financial foundations when they start young, so advisors can play a key role by encouraging clients to develop strong savings habits early in their financial journeys.

Host Monthly Networking Events or Seminars

Millennials are incredibly open to in-person conversations and events, and they want to learn from the experts. Work with your firm to host an evening for young professionals to come learn about a topic important to them, such as financial wellness or tips for young parents. Invite a guest speaker to encourage attendance and facilitate beneficial conversations. This will help showcase your interest in connecting with millennials and it will provide them with an opportunity to ask questions, connect with peers and begin building a relationship with a potential new advisor or firm.

Prioritize Protection

Guardian's study also found that more than half of millennials prioritize protection over saving and investing. Despite their growth-oriented and fast-

paced nature, millennials value protecting their futures and their families, perhaps more so than investing. Advisors should assist their clients in building out plans that prioritize protection through insurance products. This also means conversations about the future, such as retirement planning, funding college for future children, caring for an aging parent, securing income in case of a disability and having the right tools in place if an unexpected medical procedure is needed for a pet.

Embrace Entrepreneurship

Millennials are the generation with the largest amount of business owners. They are not only business owners at higher rates than other generations, but millennial business owners are doing well by most standards. This means that advisors are in a unique position to advise these clients on how to foster a solid financial foundation for their personal lives and their businesses. Often, personal finance becomes a last priority for young business owners as they focus on the business' finances instead of their own personal goals.

One opportunity advisors can take is to help millennial business owners work toward diversifying their wealth. While their business is a main source of income, inform clients about other types of investments and retirement funds that will become a source of wealth outside of their business. A

business valuation by a third party can also help millennial business owners understand the true value of their business and how much they will need to save to support their lifestyle during retirement. It will give them a tangible understanding of why they should diversify and what additional income sources exist that they can explore with you.

Overall, advisors have the potential to make a significant impact on millennials' financial futures and should be eager to pursue young, tech-savvy clients that are seeking long-term, in-person advice. The generation clearly sees the value in working with advisors and developing detailed financial plans. With the right guidance, this group can grow, protect and invest in their futures for the years to come.

Misty Weltzien is a managing partner and director of business development for Pacific Advisors in Newport Beach, California. She is also a Registered Representative and Financial Advisor of Park Avenue Securities LLC (PAS). OSJ: 3585 Maple Street, Suite 140, Ventura, CA 93003, 909-399-1100. Securities products and advisory services offered through PAS, member FINRA, SIPC. Financial Representative of The Guardian Life Insurance Company of America® (Guardian), New York, NY. PAS is an indirect, wholly-owned subsidiary of Guardian. Pacific Advisors LLC is not an affiliate or subsidiary of PAS or Guardian.

INSURANCE ESTABLISHMENT MUST EMBRACE MILLENNIALS

By KOREY PLATT

We are part of an aging industry. I know we are all aware of this fact and though it may be hard to accept, there are more individuals exiting our business than there are entering our business. We talk about this frequently, but as an industry we haven't implemented a real succession plan.

Who is going to take care of our clients who have become like family over the years? Who is going to step into some really big shoes with the tenacity and passion to fill them? Most of you wouldn't enthusiastically answer this question with: millennials will do it! With their noses always in their phones and the stigma of being somewhat entitled, millennials don't seem up to the task. Many agents just don't see how they could hand over their business to anyone who didn't have to suffer through pagers and cell phones that looked like bricks. Or anyone who never had to learn the patience associated with fax machines because they just used email. The generation that uses technology to avoid having human interaction? No way!

I guess I must reveal my secret at this point: I am a millennial. I grew up with influential people like Bill Gates and Mark Zuckerberg where the push for technology was how money was made and respect earned. There was new technology constantly and as the child of a computer engineer, our house was always filled with the latest and greatest. Have I ignored a call from a parent and sent a text instead? Guilty! Am I known for literally double fisting cell phones and rarely unplugging? Guilty again. The fact of the matter, though, is that people like me are the future of this industry. That means we all need to do a better job attracting millennials to the business and understanding how to work with them.

The Millennial-Tech Imperative

Millennials have a work hard while playing hard mentality. They don't want to go to work, be serious about working all day and then go home where they can relax and have fun. This is largely in part due to the technology that constantly tethers them to their work. It isn't because they are entitled individuals that don't want to work hard. It's be-

cause they are constantly plugged in. This generation will check their email at midnight and then want to take off an hour early the next day for a social event. This generation wants to make personal connections with their employers, coworkers and clients. You won't motivate them by offering a small raise like you may have motivated previous generations. They would be more motivated by leaving early a couple days a month. They value their time and life experiences above all else. So why does any of this matter to you? The fact is that companies need millennials to help them adapt to today's technology and customer demands. This industry has not always been the most technologically advanced. I work with a large chunk of agents who still fax applications to carriers. That is how they have always done business and they are hesitant to change a system that has worked for so long. The issue with this mentality going into the future is that many people formulate an opinion of your business based on the level of technology you have implemented. The companies that are well respected like Google, Amazon and Apple are always

You won't motivate them by offering a small raise like you may have motivated previous generations. They would be more motivated by leaving early a couple days a month. They value their time and life experiences above all else.



If there was a career built with the millennial in mind, I think it would be an insurance agent. We have flexibility, constantly evolving technology and the opportunity to help people.

on the forefront of new technology so people have started to relate technology to success. Millennials understand this.

There is also a different expectation for how individuals and businesses interact with other companies. They expect efficiency and want to be able to complete transactions without always having to set aside time for a face-to-face meeting. If you bring in a millennial, you can be assured that they will share this expectation and can assist you in implementing more technology in your business. Not only will that make you more attractive to new clients, but the increased efficiency will allow your business the time required to prospect and service new clients. Maybe your company has already implemented technology and is leading the charge in that space. Excellent! But how is your marketing plan adapting to meet the needs of the future? Having an online presence is quickly becoming a necessity in running a successful business. Most companies in our industry have excellent websites, but are not taking full advantage of social media platforms to grow their business. Those apps that the younger generations constantly interact on (and you grumble about under your breath) are also cost-effective and successful places to market your business. With millennials being such a large part of the overall workforce, the business owners and individuals you are trying to attract to your agency are interacting in those spaces. If you do not have a presence there, you are missing an enormous opportunity!

The fact of the matter is that our industry needs millennials to help keep this business alive. That said, millennials

also need mentors to teach them this business and help them see the value in what we do. They need to feel that they are part of something larger than themselves, which is why I think this industry is a hidden gem. All of us have had the opportunity to impact people's lives in times where they are experiencing the joy of a new baby or the loss of a loved one. We have the privilege of helping people protect themselves and their families. We safeguard the things that matter the most to people.

Insurance Industry Made for Millennials

If there was a career built with the millennial in mind, I think it would be an insurance agent. We have flexibility, constantly evolving technology and the opportunity to help people. This is the perfect combination. So I encourage you to start factoring the younger generations into your succession planning. Many agents I interact with don't necessarily have a succession plan, but it is a huge opportunity to put a plan in place that will allow your business to continue to thrive after you retire. It also allows you to pass all that knowledge and expertise on to someone else and help them create the success that you have had. There are internship programs in our industry and I encourage you to consider getting involved perhaps as someone who employs an intern. I was speaking on a panel recently regarding the future of our industry and the question arose about where the responsibility lies in regards to bringing new blood into this business. My belief is the responsibility rests on all of our shoulders. Most of us have had someone or even many people who have taught us the

ropes and helped us become successful. We had to work hard and create our own opportunities but we had mentors who were there when we needed help. What does that say about us if we do not continue to pass the baton? I know without the guidance, wisdom and experience that past generations have imparted on me I would never have been successful in this business.

As an industry we just love to reminisce. We love talking about the good 'ol days when commissions were great and there was less regulation. If I had been exposed to that attitude when falling into this career (because who really chooses insurance at age 21!), I can't say I would have stuck around. As harsh as it may sound, we need to move on and embrace the things about our industry that are positive. People want to be part of a winning team, no matter what generation, and we need to stop painting ourselves as a sinking ship. It is time to start telling the good stories, talking about the people you have helped and the joy this career has brought you. The success and security it has brought to your families. It is time to start inspiring the younger generation to get involved.



Korey Platt started in the insurance industry nine years ago as an independent agent specializing in Medicare Advantage. She has worked for Anthem for the past four years and is currently the Medicare regional sales manager for the Central Coast. Platt is president of the Ventura County Association of Health Underwriters and serves on the CAHU Board as the retention chair.

EMPLOYEE BENEFITS IN 2019

By JOHN CHASE

A look at the top three client expectations

As we settle into a new year in the benefits delivery industry, those engaged with clients are taking a short breather to wrap up ACA reporting season by the end of February! Upon reflection, we have collectively conquered another wildly hectic Q4 enrollment season, when most U.S. companies complete re-enrollment, implement and communicate associated changes, and roll out improvements for working better with employees during the upcoming year.

With 2018 over, we must reflect upon what worked and what did not and apply those lessons to the new year. For those in the benefits delivery space, which includes benefits enrollment technology, strategic communications and administrative support, now is the time to set goals for the new year. This begins with asking the question: What do our clients need from us to be successful in 2019?

Top Three Client Expectations

1. INNOVATION—We will be expected to innovate the mobile technology/smartphone benefits engagement experience, and take it up several notches this year.

Mobile communication strategy will continue to be the top technical priority, as our end users are becoming increasingly more astute. Have you noticed most non-social media apps we use in our daily lives such as banking, insurance, Amazon, EBay, Mint, apps for news, travel, restaurant reservations, even the incredible choices for pinpoint weather—are always improving?

Users want bi-directional communication, notification options, one-click navigation, meaningful dashboards with real time connections to other services, and stellar performance. Employers who engage these applications for benefits demand to see ROI on these tech investments, including analytics about end-user adoption/attention to their content, and targeted push notifications to reach those who aren't available through email, or overloaded by it. Point made: Mobile tech must constantly enhance the employee experience.

2. EXECUTION—We will be expected to help our clients execute a more effective benefits administration “machine.”

In our clients' back office of benefits administration, there is some not-so-glamorous support work to be done, when compared to nifty apps and sparkling communication strategies! For example, support needs to be given to enrollment transactions, effective data exchanges, carrier billing and invoicing, EOI management, dependent verification, QLE efficiency, new hire and status change onboarding, as well as ACA compliance rigor and communication.

Additional support is required to effectively man the phone lines and email boxes so employees have a great experience when they approach the service counter. Such processes are all parts of the “gears” of the benefits administration machine. Clients are looking for ways to get employees out of the engine room and onto the bridge, to free them from tactics so they can focus on the strategic work. If we're in this space, clients expect us to continuously improve the back office and execute it flawlessly. Innovation matters, but execution matters more.

3. OPTIMIZATION—We will be expected to help our clients optimize and appreciate the time that employees give to their employee benefits plans.

Our end customers are the employees out there who purchase and rely on their employer-sponsored benefits. Messaging overload increases each year, while our attention spans and bandwidth for messages decreases. Run a stopwatch on how long each message/interaction takes to consume. Be mindful and strategic about how and how often we communicate, carefully choosing every written and spoken word in conversation, emails, text messages and phone calls.

No matter where our clients sit on their benefits engagement strategy, we are challenged to help move them forward based on where they start. Some clients begin with understanding basic rules of healthcare, while others are further down the road where benefits awareness is already high, but are now seeking to change behavior with “well-being” initiatives. Within this limited bandwidth, we must cherish the precious moment of employee attention that we earn and make our limited time with them count.

To recap, I predict this year clients will expect their benefits delivery provider to: 1) innovate the technology 2) execute the basics and 3) optimize the processes, while engaging employees efficiently and effectively. This is a short list of high expectations, and by no means simple or easy to achieve. It is an exciting time to be in the benefits industry and the rewards are high for those who seek to put their clients' success first. Those who do this are well positioned to achieve these goals and build lifelong, mutually beneficial relationships in 2019 and beyond.



John Chase joined Hodges-Mace in 2005 and currently serves as executive sponsor to sales and operations, and is responsible for implementation and support to the company's largest clients.



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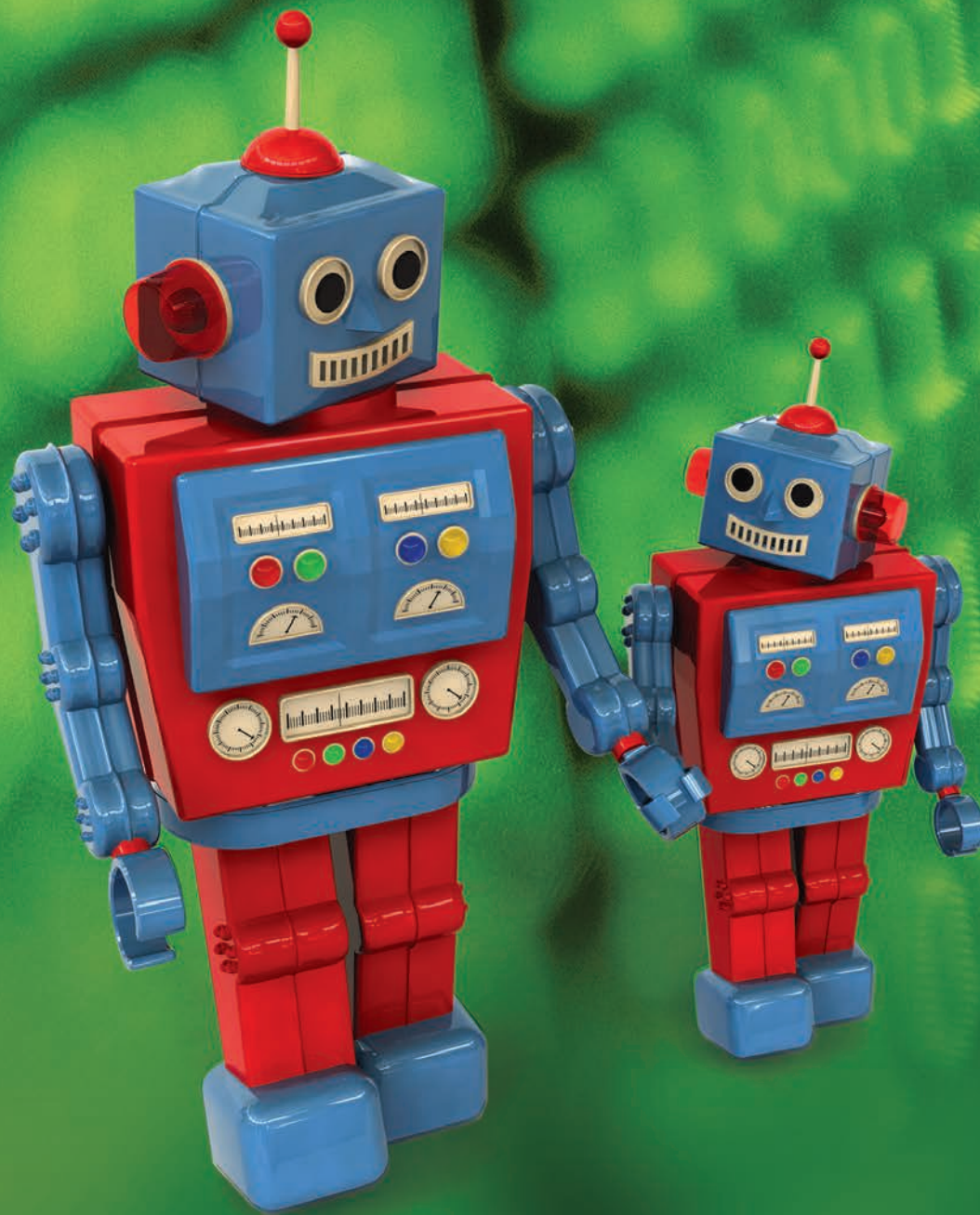
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