

CALIFORNIA BROKER

VOLUME 37, NUMBER 9

SERVING CALIFORNIA'S LIFE/HEALTH PROFESSIONALS FINANCIAL PLANNERS

JUNE 2019

Multi-Generational Planning **with Permanent Life Insurance**

Move beyond 401(k) and IRA Savings

PLUS:

- Disability & Financial Wellness
- Travel Insurance
- Medicare Insider
- Ancillary Benefits...
and more





DID YOU KNOW?

**BRAND NEW DAY HAS ONLINE
ENROLLMENT AVAILABLE
FOR AGENTS!**

Enrolling your Medicare clients into
Brand New Day has never been easier with our
online enrollment application.

**CALL BROKER SUPPORT TODAY AT
1-866-255-4795 TO SIGN UP**

BNDHMO.COM

brand new day

HEALTHCARE YOU CAN FEEL GOOD ABOUT

NEW

CaliforniaChoice®

INITIAL QUOTE NOW AVAILABLE

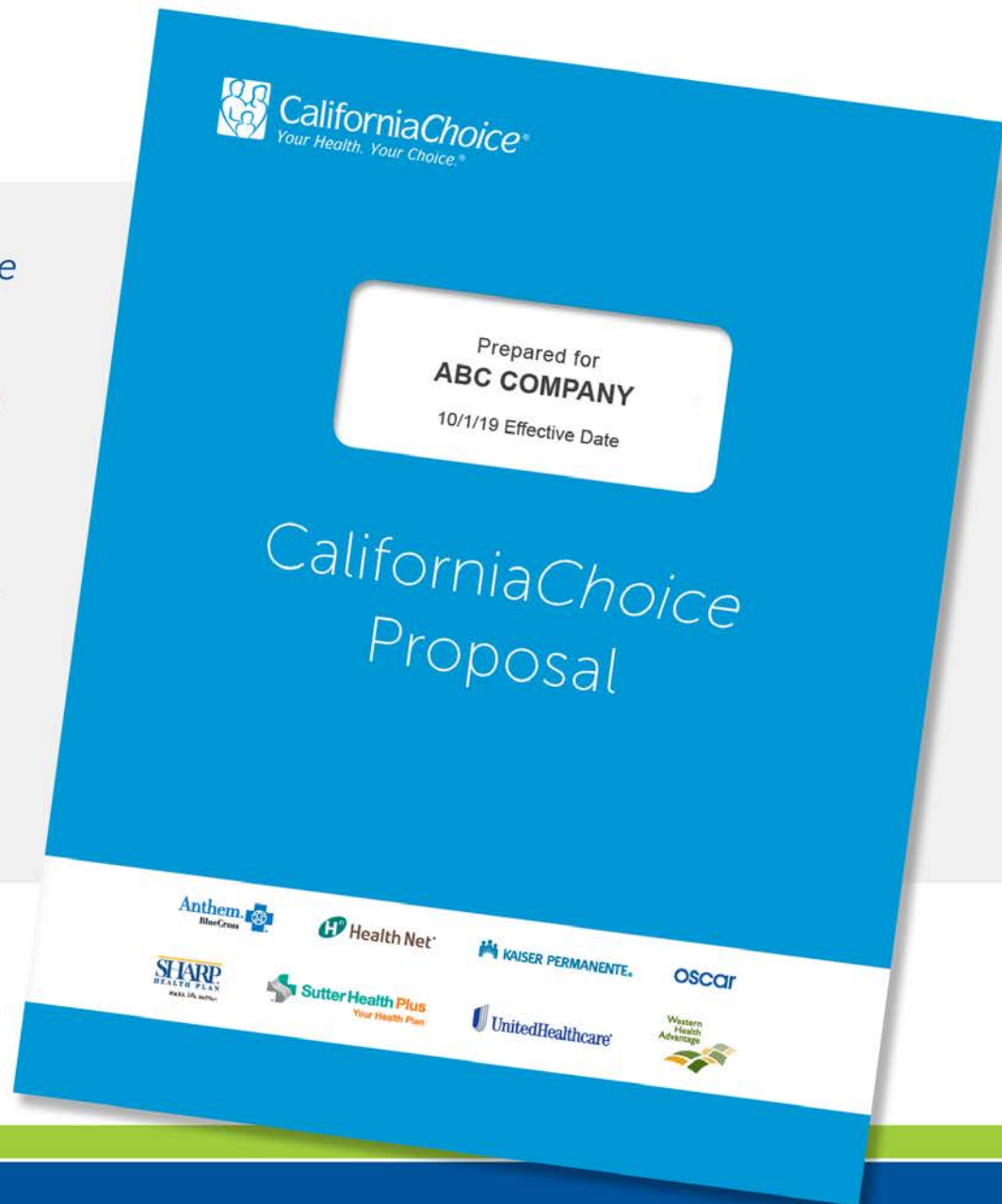
Everything Your Clients Need, Nothing They Don't

Quoting CaliforniaChoice
just got easier.

We had one goal in mind when we redesigned the CaliforniaChoice Initial Quote – keep it simple. We're delivering on that goal.

Now, you can run a quote for your clients in an easier-to-present format.

Selling CaliforniaChoice has never been easier. Quote today.





8 MEDICARE INSIDER

Medicare Prescription Plan Finder
A pro shares his best tips
By Harry P. Thal

Writing a Medicare Part D prescription drug plan is somewhat time consuming and the the commissions are small, but there are payoffs.

14 AGENT'S VOICE

Mindfulness in an Era of Change
Don't question wellness,
question your thoughts
By Naama O. Pozniak

Wellness programs do work, but agent success -- and health -- is a journey that requires a positive focus.

16 LIFE

Multi-Generational Planning with Permanent Life Insurance
Move beyond 401(k) and IRA Savings
By Thomas Young

My primary focus with clients and prospects is to find out why they come to see me. If we can determine why they want to strategize for the future, we can get to the root of their financial challenges and potential solutions.

20 DISABILITY COVERAGE

Retaining talent and staying competitive in an employees' job market
By Jeffery D. Smith

In today's employee-favored job market, one of the biggest challenges facing employers is attracting and retaining top talent. With the unemployment rate consistently hovering near 4%, it's important that employers do whatever they can to differentiate themselves.

24 EMPLOYEE BENEFITS

The Benefit & Payroll Audit You Can—and Should—Perform
By Bobbi Kaelin

Have you lost a client to a payroll service company? They swoop in and offer great prices and services and then perhaps offer to simplify everything by also handling the benefits...bam, all your hard work gone. This is a step-by-step on how to prevent this from happening.

28 LONG TERM CARE

Governor Newsom and Aging
By Louis Brownstone

It's really happening...For the first time in our history there will be more older Californians than children. What does this mean for LTC?

Don't Forget The Travel Medical Insurance!



USAway Major Medical

INTERNATIONAL HEALTH INSURANCE



*LESS THAN \$8 PER DAY
FOR A FAMILY OF FOUR*

New Lower Rates!

\$5,000,000 Medical Expenses

\$250,000 Medical Evacuation

\$250,000 Repatriation of Remains

\$25,000 Accidental Death

\$5,000 Emergency Return

\$2,500 Trip Cancellation

\$500 Lost Luggage

Includes War & Terrorism

Optional Hazardous Sports

Coverage Available Anywhere in the World

Available in all states except MD, NY, & SD



PETERSEN[®]
INTERNATIONAL UNDERWRITERS

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

CALIFORNIA BROKER

JUNE 2019

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
calbrokermag@calbrokermag.com.

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

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

©2019 by McGee Publishers, Inc. All rights reserved. No part of this publication should be reproduced without consent of the publisher.

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

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

MORE CONTENTS...



30 INSURTECH

Using Tech to Manage Benefits
By Ron Goldstein

An increasing number of employees view ancillary benefits such as chiropractic, dental and vision care as essential to maintaining their health.

34 TRAVEL INSURANCE

Lifting the Veil on Short-term International Policies. The difference between quality coverage and bargain buys
By Todd Taylor

Welcome to peak travel season. It's prime time for weddings, honeymoons, vacations, family reunions, sporting events, and anything else that gets people on the move.

IN EVERY ISSUE

News Etc.....10

MEDICARE INSIDER.....8

Classified Advertising.....46

Ad Index.....46

38 DISABILITY & FINANCIAL WELLNESS

A Q&A with *The Guardian's* Treg Balding
Guardian Life's Treg Balding recently took time to answer a few Cal Broker questions about the company's 6th Annual Workplace Benefits Study and the financial wellness series it inspired.

40 THE VISION CARE CONNECTION

Helping Clients Tackle Challenges of Costly Diseases

By Joe Wende

Vision care is a great contributor for early detection of chronic and costly diseases, making it an important and often overlooked component of wellness and disease management programs.

Southern California meets Northern California!



We're proud to announce that Dickerson and Shepler & Fear are joining forces, expanding our scope and services...

What does this mean for our agents?

- More support across the entire state
- More products
- More services
- More tools
- More expertise in alternative funding
- A more vocal legislative presence



Dickerson Insurance Services

Authorized General Agent AN ALERA GROUP COMPANY

Headquarters: 1918 Riverside Drive
Los Angeles, California 90039
License #0M29112

(800) 457-6116

www.thebrokersga.com
sales@dickerson-group.com

Connect with Dickerson



Medicare Prescription Plan Finder

By HARRY P. THAL

Writing a Medicare Part D prescription drug plan is somewhat time consuming and the commissions are small, but there are payoffs. I should know. As of this writing, for 2019 my office has written or re-written 491 PDP applications. Yes, during the AEP I need to hire seasonal help to get us through—not only the PDP plans, but also all those MA plans which we re-evaluate annually. I must qualify this to advise that I live in a rural area with a total population of about 12,000, counting the cluster of communities in and surrounding the Kern River Valley. For the geographically challenged, it is the communities around Lake Isabella, about an hour and fifteen minutes northeast of Bakersfield.

I dare say, all of the medical providers, social workers, and other medical and mental health people

recognize our services and feed us a stream of new business each year. Customer service is the crux of the business, and we assist many low-income as well as the middle class. Few high-income people reside here, or if they do they are hiding it well.

The service of recommending the prescription drug plans begins with getting appointed with all the carriers that will use independent agents. If a client will benefit from a plan that does not use agents (pay commissions) we will go online and assist them in the enrollment. I do track them in the database, as next year the better plan just might be one we can help with.

In our database, we record and save the Medicare.gov Drug List ID, password date and their zip code. I have another field for “update” as needs change over the years. Our main source of data for compari-

son is Medicare.gov. This past AEP we researched 1,200 or so client prescription lists, and recommended changes to 449 people. We track the difference between the current year’s out-of-pocket costs to the client against the recommended plan for the coming year. For 2019, we saved our clients \$669,779.10. In 2018, we saved our clients \$755,452.70. An aside: all of this data sure makes a great press release.

When using Medicare.gov I have found one area that we were making mistakes on. When evaluating a MA-PD plan, I really wanted to recommend a particular plan because of the plan’s benefits and the medical provider group. But Medicare.gov indicated it was second to a plan that had lesser benefits, but a much better price. It was worth looking further as all the medications were generic.

The client’s present Special Needs plan had a

monthly pharmacy copay cost of \$121.00 with one medication, Tizanidine having a copay of \$90.00. The remaining eight medications were from \$0.00 to \$15.00.

The plan I favored had a monthly copay for the nine generic medications of \$264.00. The Tizanidine was not on the formulary for this company, and the “Full Retail Cost of Drug” was listed on Medicare.gov as \$250.27. Six of the remaining eight drugs had a \$0 co-pay and one for \$5.73 and the other \$8.00. These were all medications that we see regularly, but I was bummed about the cost of the Tizanidine. My resource for medications that are not covered by insurance, or when the cost is high, is a great website: www.goodrx.com. We refer clients to this site all the time. To avoid the coverage gap, sometimes certain medications can be bought with GoodRx coupons for less than the copays. In this

(continued on page 23)

CCSB

The choice is simple.

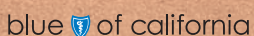


Our solution is simple. Employers set their budget and employees get the choice to tailor their health coverage to fit their needs.

Contact CCSB today to learn more.
CoveredCA.com/ForSmallBusiness | 844.332.8384



FOR **SMALL BUSINESS**



*Insurance companies vary by region

Dickerson Insurance Services Acquires GA Shepler & Fear

Dickerson Insurance Services, an Alera Group, has acquired Roseville, California-based Shepler & Fear General Agency. Shepler & Fear, co-founded in 2009 by David Fear, Sr., a Cal Broker editorial advisory board member, specializes in employee benefits for large, small and self-funded companies. Last year, Dickerson, founded by Carl Dickerson in 1965, became an Alera Group Company. Alera was formed in early 2017 and is now one of the nation's foremost independent insurance agencies. Located near L.A.'s Dodger Stadium, Dickerson is currently led by managing partners Tony Lee and Michael Wolff.

Ease Announces Strategic Relationship with Brown & Brown Insurance to Enhance HR and Benefit Services for SMBs Nationwide

Ease, provider of HR and benefits software solution for SMBs, insurance brokers, and insurance carriers, announced a partnership with insurance broker Brown & Brown. Through the strategic relationship, Brown & Brown will offer the Ease technology solution as part of their benefit offerings, providing a new layer of efficiency and simplicity for their brokers and the employers they service. Through this relationship, all Brown & Brown offices will have access to the Ease system throughout the entire country to offer to their customers. According to the companies, this access will particularly benefit the small and mid-sized employers that Brown & Brown brokers support, as it will provide them with HR and benefit solutions usually reserved for larger enterprises. Ease's software gives agencies of all sizes the opportunity to digitize their client records, protect their book of business and increase commissions from clients down to two employees. More than 1.5 million employees have used Ease to complete enrollment in more than 16 million benefit plans since inception.

Even More CAHU Royalty!

We recently congratulated CAHU "royalty" -- the insurance folks who have been with CAHU over the long haul. An astute reader, however, pointed out that we left off a few names! Thank you to the following kings and queen of the business for their enduring dedication:

Lawrence Kent (33 years of service)
 Tony Schlossmann (33 years of service)
 Dorothy Cociu (32 years of service)

CDI Says 'Conscience Objection' Wrong for California

Looks like the issue with the baker who refused to produce a cake for a wedding between two men has now made its way to the health care arena. The Trump Admin issued a federal rule recently called "Protecting Statutory Conscience Rights in Health Care." The rule essentially allows health care providers to refuse care to patients based on personal beliefs. In response, California Insurance Commissioner Ricardo Lara issued a written statement saying:

"The Trump Administration has issued a damaging rule that permits health care providers to deny patients needed treatment, even life-saving treatment in emergencies, on the basis of the provider's 'religious or conscience' objection. This rule invites discrimination and particularly threatens the health of women, members of the LGBTQ community, and persons living in communities with few medical treatment options. The rule even appears to permit medical providers to refuse to refer patients to other medical providers who could provide the necessary care. We need to ensure that Californians can obtain the care they need, rather than being turned away in the name of intolerance by someone in the healing profession. I will strongly support legal efforts to block this rule from going into effect."

Human rights organizations have also denounced the federal rule, saying that health providers can now put personal beliefs over delivery of care, including lifesaving measures.

MassMutual Makes HSAs by Wex Available Through MapMyFinances

MassMutual announced it's expanding its wealth accumulation and protection benefits at the workplace by making HSAs available on its MapMyFinances financial wellness tool for workers. The HSAs, powered by WEX Health, enable workers who are covered by high-deductible healthcare plans to put aside money on a tax-favored basis for eligible healthcare expenses during their working years as well as retirement. MapMyFinances was introduced by MassMutual earlier this year as part of its efforts to help all Americans achieve financial wellness. The MapMyFinances tool is available automatically at no cost through employers that sponsor MassMutual's 401(k) or other defined contribution retirement plans, voluntary insurance benefits or both. The tool provides users with a personalized financial wellness score to help them assess their overall financial situation and makes recommendations to help workers prioritize their benefits choices based on their family situation and budget



Give employers something to smile about: Group plans with choice and savings.

With Choice Simplified, employers can combine California's most popular plans to help fit the unique needs of their businesses and employees. And when employees can select product, price and network—they might be happier, too.

Not For Consumer Use

*Based on an October 2018 comparison of other UnitedHealthcare plans within the Choice Simplified portfolio.

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

Insurance coverage provided by or through UnitedHealthcare Insurance Company or its affiliates. Administrative services provided by United HealthCare Services, Inc. or their affiliates. Health Plan coverage provided by or through UHC of California DBA UnitedHealthcare of California.

8318233.0 1/19 ©2019 United HealthCare Services, Inc. 18-10823



Find out how your client can save up to 25%* with UnitedHealthcare SignatureValue® Harmony.

Visit uhc.com or call your sales representative today.

Pasadena Agent Charged with Felony Identity Theft; CDI Asking for Help

Pasadena licensed health agent Helen Lee has been charged with nine felony counts of identity theft after allegedly using personal health information to forge fraudulent agent of records forms. Lee, co-owner of health concierge services companies Joany Inc. and California Health Benefit Exchange, filed more than 65 agent of record change forms between January and March 2017. The California Department of Insurance contends that Lee created an online Craigslist survey, marketed as an online health insurance research study, to obtain personal identifying information. Lee paid participants \$50 if they met certain criteria and texted a photo of their member ID card which included effective dates of coverage. The survey had a HIPPA-compliant logo and participants were told it was only to help consumers with their health insurance needs and that the information would not be sold or provided to any third party. However, participants' information was used to change their agent of record and their signatures were forged on the documents. The survey specifically targeted people who purchased insurance through Covered California and didn't receive health care through their employer and were not part of Medicaid, Medicare or VA health insurance. However, the agent's illegal activities may have stretched beyond the state and CDI is assisting those investigations. If anyone has potentially helpful information, call CDI at 323-278-5000.

CVS Project Health Makes Splash in Sacramento

CVS Health announced an expansion of its annual Project Health free health screening campaign with a community event at CVS Pharmacy in Sacramento. There will be 32 free health screenings that will take place in the Sacramento area between now and June 30.

The event also included the presentation of a \$75,000 grant from the CVS Health Foundation to the Sacramento Native American Health Center to help expand opioid treatment options locally. The funds will be used to help engage more patients with internal treatment options like medication-assisted treatment, cognitive behavioral therapy (CBT), trauma-focused CBT and integrative or holistic therapies.

Trump Admin Targets Secrecy Pricing in Healthcare

The Trump Administration is making its first overture toward price transparency in healthcare by soliciting comments on a proposal to require doctors and hospitals to publish negotiated prices. Cost discrepancy is certainly in the news lately. In a recent New York Times article, Margot Sanger-Katz detailed cost discrepancy of a simple blood panel. Sanger-Katz found that in San Francisco the blood panel might be \$80 or \$564. In Los Angeles, it might cost \$12 or \$413. The nonprofit Health Care Cost Institute also crunched numbers on negotiated prices for some common health procedures in a handful of regions across the U.S. and found—no surprise to agents—massive cost discrepancies.

Kaiser Foundation Says Maybe Insurers Get Too Much for MA Patients

A new Kaiser Family Foundation study finds that the government may be overcompensating insurers for Medicare Advantage patients. The study found that “beneficiaries who choose Medicare Advantage have lower Medicare spending—before they enroll in Medicare Advantage plans—than similar beneficiaries who remain in traditional Medicare, suggesting that basing payments to plans on the spending of those in traditional Medicare may systematically overestimate expected costs of Medicare Advantage enrollees.”

UnitedHealthcare Adds SmileDirectClub Benefits

UnitedHealthcare announced they are teaming up with SmileDirectClub, a teledentistry and direct-to-consumer provider of clear teeth aligners. Now people enrolled in most UnitedHealthcare employer-sponsored and individual dental plans with orthodontic coverage can purchase SmileDirectClub's clear aligners for less than \$1,000 out of pocket. The companies say that more than 1.5 million UnitedHealthcare dental plan participants with orthodontic coverage can start the process by visiting SmileDirectClub.com to order an impression kit or schedule a 3D digital image at any of SmileDirectClub's more than 235 SmileShops across the country. Through this collaboration, eligible UnitedHealthcare dental plan participants can review their benefit information and out-of-pocket expenses with SmileDirectClub customer care. Plan participants will soon be able to visit the SmileDirectClub website to enter their dental plan details to access real-time information and cost transparency.

Landmark Announces Rate Change, Encourages Migration to Expanded Plans

Effective June 1, 2019, Landmark Healthplan will price its Standard Plans the same as its Expanded Plans to encourage groups to migrate to the better benefits offered by the Expanded Plans. Standard Plan groups that renew starting August 1 will be encouraged to migrate to the same plan design in the Expanded Plan portfolio. Expanded Plan benefits are identical to those under the Standard Plan except that treatment never requires preauthorization and X-rays are subject to a \$75 annual maximum benefit. By eliminating all managed care restrictions, Expanded Plans offer greater access to providers, allowing members to be treated not only for acute conditions but also for preventive, wellness and on-going maintenance care. Under Landmark's Standard Plans, only "medically necessary" care of acute conditions is covered. Without this limitation, Expanded Plans generate substantially higher levels of member and provider satisfaction. According to Landmark:

Expanded Plans, due to their open access design, were historically priced almost three times higher than their Standard Plan counterparts. Effective immediately, Expanded Plans will be priced at just 15% higher than the equivalent

Standard Plan for both new and renewing groups except that Bay Area Chiropractic Only plans will be 25% higher.

Groups already on an Expanded Plan will see a significant rate decrease of approximately 55% to 75% depending on the rating region, group size, and benefit plan. The above percentages are averages only and may be different on a case-specific basis. Groups with 200+ employees will continue to be experience rated.

Request an RFP at sales@LHP-CA.com.

Undocumented Young Adults May Get Coverage

Undocumented children are eligible for full-scope Medi-Cal health insurance coverage. Now Governor Gavin Newsom -- with the support of Insurance Commissioner Ricardo Lara -- is behind efforts to extend coverage to undocumented young adults who age out of the children's health insurance program. Newsom wants to kick in an additional \$260 million to the \$360 million the state has allocated for covering undocumented children and teens. Advocates argue the investment is humane and financially savvy; it will allow for preventive care to thwart problems before they become extremely costly. Some state lawmakers want to go even further and spend an estimated \$2.3 billion a year to extend Medi-Cal eligibility to Californians of all ages regardless of their immigration status.

EVENTS

IICF Women in Insurance Global Conference

June 12-14, 2019, New York City

NAHU Annual Convention --We'll see you here!

June 29-July 2, Sheraton San Diego Hotel & Marina

Keynote speaker is Retired Master Sergeant Cedric King. Sessions focus on practical solutions for your business, including retaining today's new workforce, buying or selling your agency, data transparency and alternative healthcare management. And there's an expanded Medicare Extreme! with proven practices and important trends on changes in Medicare, technology solutions, growing your business with group Medicare sales plus more. Plus plenty of opportunity to visit with a variety of vendors and network with colleagues More info at NAHU.org

NAAIA National Conference

Sept 11-13, Atlanta- SAVE THE DATE!

Leaders from across the insurance and financial services profession will come together at this high energy industry event to further the education, advancement and uplifting of African American insurance professionals. More info soon at www.naaia.org.

Alliance of Comprehensive Planners 2019 Annual Conference

Nov. 12-15, Hyatt Regency Mission Bay, San Diego
The Alliance of Comprehensive Planners (ACP) is a community of tax-focused financial planners who provide planning strategies for clients on a fee-only retainer basis. Conference early bird registration rates (which expire Oct. 11, 2019) are in effect now. Participation is open to all interested financial professionals. Companies interested in sponsoring the ACP Annual Conference should contact Jill Colsch at jill@acplanners.org. The agenda is available here: <https://2019.acplanners.org/home>.

Mindfulness in an Era of Change

Don't question wellness, question your thoughts

By NAAMA O. POZNIAK

Healthcare is a mainstream topic of conversation. We often hear speculation about the future of healthcare and where it seems to be going.

It's difficult to stay positive about our industry here in the U.S. The costs seem to be rising by the minute. Meanwhile, we need to continue the conversation over transparency, efficiency, prevention, technology, innovation, wellness and, once again, cost.

I admit I get extremely irritated when I hear negative conversations and sound-bites insisting that, for example, "Wellness programs do not work." Such statements are blatantly untrue and perpetuating this incorrect line of thinking will, in the end, be harmful to our population.

Healthcare is a journey. It is a work-in-progress and different for each person and industry. Each generation must set an example for the next and we should all be open to learning from one another. If we want to create a healthier world, a healthier environment, and a healthier community, we must strive to keep health care conversations positive.

It is certainly challenging to keep a positive mindset about a healthcare system that doesn't seem to be serving us. It is natural and very human to worry about the future and the wellbeing of our families and ourselves. But the fact is, we must seek to overcome our minds' weaker tendencies in order to enjoy a more fruitful future.

The questions we need to address are these: Can we overcome our judging mind? Can we overcome our judging spirit? Can we let go of all expectations and try to experience the moment and only the moment? Can we agree that while you cannot really measure

wellness programs, we can say one wellness program is working better than another?

Wellness programs are here to stay. Wellness programs are about living in the present moment and experiencing health. We're all on the same life journey and we can surely agree that self-care greatly enhances the quality of our lives.

I can share with you that I am personally involved as an employer in my own benefits wellness program. And I can tell you firsthand that it works. I, for example, make a point of teaching my employees the basics of a meditation and yoga practice and have observed how these practices serve to make them happier and healthier people. It gives me endless pleasure to know my employees are feeling better about themselves and becoming more productive and resilient in their work and in their lives.

Some people learn the basics of wellness and self-care as children and others learn it as they grow older. There is no better time to practice wellness and be mindful about the process than right now. As part of the healthcare provider system, it is up to us to deliver the right wellness program to our clients for the right care and outcome.

Together we can practice keeping the conversation positive. We need to believe it ourselves so we are able to share it with our clients. It is all about a willingness to live in the present moment and understand that we are all healers. We can heal our fractured healthcare system and ourselves if we join forces together.

This is a journey we must take together. While the journey is long, it is well worth the effort. The future of our country's entire system of healthcare is at stake. Wellness programs are simply the tip of the iceberg. The evolution of

our healthcare system partially depends on our ability to convince legislators that healthcare is a lifetime journey of education and self-improvement. Wellness programs will blossom and come to fruition as we continue to offer them in new innovative ways. We have to find ways to keep people engaged. These wonderful healthful programs must be allowed to develop and grow. They will work. They are already working!

Let's be mindfully aware and try to consciously keep the conversation positive. Let's listen to each and every expert and truly hear their words. Let's bring together the tech experts, the scientists, the providers and the artists. Let's bring together the minds that want to heal our nation and want to keep the conversation going. Let us work together to fix the current issues and create a loving, happy environment in our world and in our communities. We can do this, as long as we stay mindful. We have the spirit. Now let's make it happen! #NAHU #HUPAC #AgentsAreTheAnswer



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.

Comparing Payroll Service Providers, Apples to Apples?

- Other administrators sell their payroll at costs that are too good to be true. We are transparent, automatically providing tax filings, signed checks and direct deposits.
- Some administrators publish loss leaders online that don't really show the hidden fees that clients end up paying. There are no hidden fees with us!

We really cannot compare our service to theirs, since it is NOT apples to apples. Our services will never result in our trying to take a BOR, we don't sell or offer insurance. We offer pure administration only! We are a payroll service company that works for and with brokers, never competing against them. And, we can promise you....



We Won't Be Taking a Bite Out of Your Apple.



6180 Quail Valley Court, Riverside, CA 92507

(800) 427-4549 • (951) 656-9273 ext. 226

Fax (951) 656-9276

Email: bobbikaelin@pagroup.us or

Sales@pagroup.us

CA License#OG76414

www.pagroup.us

MULTI-GENERATIONAL PLANNING WITH PERMANENT LIFE INSURANCE

Move beyond 401(k) and IRA Savings

By THOMAS YOUNG

My primary focus with clients and prospects is to find out why they come to see me. If we can determine why they want to strategize for the future, we can get to the root of their financial challenges and potential solutions. With such an overload of financial information, misinformation and inappropriate financial noise, their reasoning can provide valuable insight into their levels of financial literacy. Without a “why,” we’re just high-pressure salespeople with no clear direction and understanding of clients’ needs. Often, the most significant financial challenge clients possess is a lack of adequate savings and capital for the future. The status of their personal savings and the evaluation of national debt can guide our strategic conversations and product recommendations. To store money for emergencies, emotional purchases and

long-term savings, I recommend life insurance as a capital warehouse and a tool for multi-generational planning.

Frame the Conversation

After listening to my prospects talk about what motivated them to meet with me and what they hope to accomplish, I begin client meetings with conversations about the U.S. debt clock, a real-time resource which shows the movement of money inside the federal government. Without biases or opinions, the clock simply conveys the numbers as they are. We first look at the national debt levels. Currently, the U.S. is in over \$22 trillion of debt, increasing every second. Then, we look at the unfunded liability by the federal government, which includes the Social Security program, Medicare Parts A, B and D and pension plans for government and military employees. These are strong commitments made to citi-

zens; yet, these programs carry an unfunded liability of \$122 trillion, which is over \$1 million dollars per taxpayer. With this in mind, I make sure my clients know that taxes will be higher in the future to fund this deficit and will affect their future savings capabilities.

Move Beyond 401(k) or IRA Savings Vehicles

In typical planning situations, people are often told to max out a 401(k) or IRA as primary savings tools. However, these vehicles postpone the tax on the money, and also the calculation of the tax. Now that my clients understand the inevitability of higher tax rates, we seek other ways to create wealth and capital for the future.

Dividend-paying mutual whole life insurance is the safest place to store money, so much so that even the Federal Reserve has indicated to its member banks that life insurance has the

In typical planning situations, people are often told to max out a 401(k) or IRA as primary savings tools. However, these vehicles postpone the tax on the money, and also the calculation of the tax.



least risk default. On average 20 to 30% of all Tier 1 money in banks is stored in permanent guaranteed whole life insurance. Yet, consumers are often told not to buy permanent life insurance. If we can prove the value of this policy, we can help clients secure proper savings for their retirement and established legacies to pass on to their families.

Multi-Generational Planning Considerations

Increased longevity and higher tax rates have changed the way we need to help future generations plan as they will need more and more capital to survive. Multi-generational life insurance strategies, which involve insuring anyone who is insurable, allows clients to set their family up for a secure financial future. Whole Life sales are approaching 35% in the marketplace due to the invaluable guarantees. Guaranteed cash value, death benefit, premiums and non-forfeiture provisions are capabilities that appeal to multiple generations and can lead to an established financial legacy to pass down.

For instance, I own policies on my daughter and son-in-law. My goal is to live long enough to watch my two grandsons become adults so that I can teach them how to continue the savings process and transfer the ownership of these policies to them. My daughter also owns a life insurance policy on me, which is her pension plan. When I pass away, she will receive the death benefit of that policy absolutely tax free. The tax-free check she receives if I live to the average male life expectancy is something she can't match with an IRA or 401(k) at an equal contribution amount.

Between now and then, the policy also has a tremendous amount of cash value. We borrow from the insurance company against that cash value to buy cars and avoid credit cards so we don't have any credit at the banks. The average household in the U.S. has \$250,000 of debt and pays 34 cents

out of every dollar they earn on interest at the bank. If you can set up a family with a policy that has cash value, imagine the wealth you could create if the plan mitigates debt payments for the rest of their lives. Their beneficiaries would have an unbelievable amount of money set aside for retirement. If you change the way you think about products that have been in existence for over 200 years in America, you can help clients learn the discipline and immense advantages of savings.

Importance of Savings and Living Benefits

If our clients fall into the category with the majority of Americans whose average rate of savings is around 3%, we must help them understand this will not provide the much-needed stability during retirement. Sometime in the future, the government debt will catch up with citizens and cause a huge financial storm. Even though the debt threat will continue to loom, we can help clients strategically set aside efficient savings to be protected. While most clients want to fulfill their financial goals with investments, we should emphasize the need to first establish savings.

Life insurance is a product that people both need and want, which enables clients to secure and grow savings. The living benefits of cash value permanent life insurance, such as tax-free access to cash value and tax-deferred growth, leads to increased savings capabilities for clients. It is also guaranteed to pay the policy owner regardless of when the covered individual passes, and the policy holder has access to recapture assets and avoid debt through the guaranteed cash flow. All of these benefits are possible with no additional out-of-pocket costs. While there is a limit to prevent over insurance, why would clients not want to purchase this policy? Help them understand how to funnel money they are already spending through their policies to establish an effective financial plan and achieve their goals.

Fiduciary Responsibility

Over the past few years, the financial industry fought hard when the government wanted to impose a fiduciary responsibility on advisors. However, nobody should have to impose that on you, because it should be automatic. Fiduciary simply means we should be doing the best and the right thing for our clients through proper education and plan options. Client education is a vital responsibility for advisors. I maintain a blog and website to help drive home the importance of life insurance and its multi-generational strategies capabilities.

We cannot predict which generation will face the financial storm head on in the future. We can help prepare our clients so that when someone in their family passes, their economic human value is inherited by the next generation to store once again in cash value life insurance. If you are in this business to help people, you are in the right place. On the other hand, if you are solely in the industry to make a commission, you ought to consider a new occupation. We are the only people in the world who can create the money to care for the future. Be authentic with your client services and purposeful with your product recommendations to ensure you have a positive effect on generations of consumers to come.



Tom Young started in the financial services industry in 1976, and is the founder and president of 1st Consultants, Inc. Tom is a financial strategist who uses time value concepts and lost opportunity cost evaluations to help clients maximize the time value of money and benefits associated with insurance and financial products. Tom is a speaker, a published author, and a radio personality on 1230/1460 WBVP/WMBM in Beaver Falls, PA. Tom is a 27-year member of the prestigious MDRT and has earned Court of the Table and Top of the Table qualifications.

MEDICARE
**MADE
SIMPLE**



**AUGUST
28th-29th**

**PECHANGA
RESORT & CASINO
TEMECULA, CA**

**SIXTH ANNUAL
SENIOR SUMMIT**



**Largest AHU Medicare
Event in the Nation!**

**2 DAYS OF
EXHIBITS**



**A CLEARER
VISION FOR
2020**

**Featuring: Certifications, Product Solutions, CE's (both days)
Breakout Sessions: Medicare Supplement, Medicare Advantage
Industry Experts & Keynote Speakers**

2nd Annual Summit Golf Classic, August 27th - Price TBA

Advance Tickets: Member: \$79*, Non-Member: \$99* (until August 1st)

After August 1st & Onsite: \$109* per person

*Refund/Cancellation Policy: Registration fees are non-refundable either full or partial

Price Includes: 2 Day Admission for certification trainings, workshops and general admission (August 28th and 29th).

Meals included: Wednesday (28th) Breakfast & Lunch; Thursday (29th) Breakfast & Lunch

Register Today: <https://guestli.st/603120>

DISABILITY COVERAGE

Retaining talent and staying competitive in an employees' job market

By JEFFERY D. SMITH

In today's employee-favored job market, one of the biggest challenges facing employers is attracting and retaining top talent. With the unemployment rate consistently hovering near 4%, it's important that employers do whatever they can to differentiate themselves. This can be through pay or — of significant interest to brokers — through benefits.

Since job seekers are at an advantage, it's easy for them to take their talent elsewhere when they are unsatisfied with their pay or benefits. Today's workforce also has a broad range of benefits needs and demands, leaving many companies struggling to keep up. One of these key struggles is disability management.

A recent study conducted by The Standard found that disabilities and absences are particularly challenging for companies to manage. Of over 500 HR managers surveyed, nearly two-thirds (64%) scored a C, D or F for how they manage disabilities in the workplace. These below-average grades suggest employers are out of touch with their employees' benefits needs, which can be attributed in part to poor disability management programs.

Having formal return-to-work programs in place can help manage employee health conditions and leads to lower absenteeism, and better employee retention, workplace morale and productivity. All of these advantages for an organization should also be considered in the context of a fluctuating business environment, especially if it looks like the chances for a recession appear likely.

Only 42% of employers said they felt their senior leadership was committed to helping employees with disabilities. Instead, what's likely more often on a CEO's mind is a recession. A recent survey by The Conference Board found that CEOs said a recession was their No. 1 external concern in 2019. If an organization has a firm handle on its workforce needs, it stands less of a chance to be impacted by a recession, since it likely won't have to make as many personnel

adjustments to accommodate workers.

As a result, brokers have an opportunity to highlight the numerous advantages of a comprehensive disability management program to their clients. The following insights can help bolster your clients' disability management strategies and keep them from losing out on talent.

Formal disability programs support employees in many ways

Each employee may require a different mix of accommodations and assistance for their health condition. Additionally, with four generations of employees in the workforce, what each employee requires for better disability and absence management is more varied than ever before. A disability carrier can help support employees in the following ways:

1. Provide return-to-work support

When disability management is left unaddressed, employees may experience increased absenteeism, lower productivity, decreased morale or even require a disability leave. Since fewer than half of employers have formal return-to-work and stay-at-work strategies in place, this is a great place to start with your clients. Some disability carriers have consultants who work alongside a client to coordinate employees' return-to-work plans and get them back to work sooner. These consultants are experts in their field and partner with an employer to make sure an employee is getting the support he or she needs to return to work.

Explain to your clients how this support can include monitoring an employee's progress and providing recommendations on potential job modifications as well as providing emotional and behavioral support, and coordinating benefits from other programs. Knowing what to say and do to help support an employee who is returning to work after a disabling condition can be challenging. This approach helps ensure an employee is getting the assistance they need, ensures



A comprehensive disability management program will help identify the right accommodations for each employee's unique situation, helping to keep them both healthy and productive at work.

the whole person is taken care of and improves their overall return-to-work experience.

A comprehensive approach may help an at-risk employee stay at work and may also allow an employee with a disabling condition to return to work more quickly in a safe and productive manner. Inform your clients how costs may be lowered when an employee can return to work more quickly, be productive upon their return and not require subsequent treatment for the same issue.

2. Manage accommodations

One struggle your clients likely face is knowing how to provide the appropriate resources to returning employees. Be sure to highlight how a disability carrier can help alleviate some of an HR manager's workload regarding return-to-work plans. HR managers are often left to accommodate their employees alone, reaching far beyond their area of expertise. But finding and implementing accommodations—for either a stay-at-work or return-to-work plan—doesn't have to be difficult or expensive.

The responsibility of managing employees' accommodations doesn't have to fall solely on your client's shoulders. A comprehensive disability management program will help identify the right accommodations for each employee's unique situation, helping to keep them both healthy and productive at work.

3. Comply with legal regulations

When it comes to complying with the Americans with Disabilities Act Amendments Act (ADAAA), many employers are unsure of how to implement the appropriate accommodations that meet regulations. What's more, 61% of employers in a 2017 survey conducted by The Standard said that constantly changing disability laws and guidelines make it difficult to properly support employees.

While disability carriers do not replace the employer's responsibility to comply with the ADAAA, they can offer valuable assistance in helping employers meet compliance obligations. Disability consultants can provide expertise to guide clients through the decision-making process to determine

reasonable accommodations that meet their employees' needs and align with ADAAA regulations.

Return-to-work programs get results that work

For those employers that successfully navigate employees' health challenges and lead the industry in best practices, the benefits are numerous. Employers who have formal disability management programs in place reported greater success in boosting employee engagement and retention, such as:

- 32% of employers reported lower absenteeism
- 37% reported better employee retention
- 34% reported better workplace morale
- 31% reported better workplace productivity

Introducing a disability approach that includes return-to-work and stay-at-work support is essential for employers who want to ensure the health and well-being of their workforce. It's also important for companies that want to stay competitive in retaining talent in an employee-focused job market. Often, the costs of searching for a new employee to replace one that is departing are higher than the cost of the actual stay-at-work support programs. Today's diverse workforce is expecting and demanding more when it comes to benefits, so it's essential you share these insights with your clients to help them recognize the value of having proper disability management programs in place.



Jeffery D. Smith, a member of the Cal Broker editorial advisory board, is a disability and productivity consultant for The Standard and has worked in the vocational rehabilitation field for more than 30 years. In his role, Jeff is continually looking at ways to improve the Workplace Possibilities program to provide new and better stay-at-work and return-to-work services for both employers and employees. He shares the benefits of the program with new and existing clients, creates white papers and writes case studies to help make a difference for employers who are looking to be more successful in managing employee absence and disability.

Medicare Insider

(continued from page 8)

I never ask for names or numbers. Why bother? People don't like doing it and for MA and PDP plans it isn't allowed.

instance, my client can take the coupon we printed out for her and bring it to Safeway and pay \$14.09. So with the recommended new plan and the coupon, the total monthly pharmacy cost will be \$27.82. That is a monthly savings of \$94.00. Add this to the \$100.00 per quarter OTC benefit, unlimited transportation, tele-doc and other benefits lacking on her current plan and my new client left the office as a happy camper. Two hours later she returned. She brought us a houseplant and another "thank you."

But one word of caution: the use of coupons needs to be at a pharmacy other than the one they regularly use for their insurance. People always ask me what I owe them for our services. I shock them by saying that we don't charge money, as we are paid by the insurance companies. We represent most plans in our county, and therefore we help you select the plan that's best for your needs—not the one a particular company is pushing, as they all pay us about the same. However, there is a cost. I now reach into my desk drawer and remove a vinyl plastic business card case which contains a set of my business cards. I say, "While I don't charge you money, there is a price to pay. You are responsible for helping your friends and family by directing them to us if they need health insurance." I never ask for names or numbers. Why bother? People don't like doing

it and for MA and PDP plans it isn't allowed.

Providing service to the community does bring dividends and new business. I am currently licensed in 27 additional states and even help my clients when they move to live nearer to family as they age.



Harry P. Thal, MA, is a licensed insurance broker in California and 27 other states. His offices are in Kernville. He is a member of the Society of Certified Senior Advisors and past-president of the Kern Association of Health Underwriters. He may be reached at 760-376-2100, rrythal@aol.com.



Instrumental. Innovative. Ideal.

Introducing the Next Generation of Broker Services.

The new Agency Workspace combined with our unparalleled service and on-demand support will elevate brokers above the competition. Instrumental, innovative and ideal – Agency Workspace offers seamless support of quoting, enrollment and beyond.

For more details, call us at 800.350.0500
or visit us at BenefitMall.com



©2019 BenefitMall. All rights reserved.

THE BENEFIT & PAYROLL AUDIT YOU SHOULD PERFORM

A step-by-step outline

By **BOBBI KAELIN**

Have you lost a client to a payroll service company? They swoop in and offer great prices and services and then perhaps offer to simplify everything by also handling the benefits....bam, all your hard work gone.

Payroll providers have access to a lot of client information, and a legitimate need for some information—but not all. How is it possible for you to keep the payroll service out of your clients' benefits? Well, first, let's see how they get into the business in the first place.

Payroll providers are service providers—and the more services they offer, the more revenue they can generate. They have access to a lot of information, and the information they have can be used to gain additional revenue on their end, sometimes by abusing their position and/or instilling fear in your client. This fear can erode the trust the client has with you and potentially can cause your relationship to suffer.

In your role as the benefits broker, you have a unique opportunity (and a responsibility) to provide your client with unbiased information and services. The more infor-

mation you have, the more benefit you can be to your client. You are the benefit expert, and you should be looking at the payroll records, fees and documents. You should perform a Payroll & Benefit Audit (PBA) for your clients.

The amounts of money you save your client can be astounding! Not only in locating potential errors in payroll deductions or tax savings, but also in addressing inflated or unused payroll service features.

There are two audits that are performed:

- Payroll Service & Fee Audit
- Payroll Register & Benefit Audit

You will need the following items to provide the service:

- Payroll Deduction Register
- Payroll Invoice for current
- SPD for medical, dental & vision benefits (including OE materials)*
- Section 125 Documents**



Payroll register & benefit audit- a step-by-step outline

Review the employee benefit deductions shown on the payroll register

- Verify the number of payrolls that benefits are deducted. If it's 26 pay periods, are they deducting premiums over 26 paydays or 24? The calculation gets missed on occasion.
- Are the premiums being deducted consistent with the employer written policies? (look at the open enrollment materials that disclose what the employees will pay and compare it to the benefit invoice)
- Calculate the cost that should be deducted per the plan (i.e. does the employer pay 75% of the employee-only coverage? Does the employee pay the difference? Or is the employee's premium share calculated on a flat dollar amount? Are the premiums being deducted properly for ee + 1, ee only, family, etc? Do they match and compare it with the deduction amounts on the payroll reports?)
- If this is confusing or difficult to calculate, consider having the employer direct the payroll company to separate premiums by the different benefits. For example, have the dental, vision and medical broken out separately on the re-

ports. They can still show as a single deduction on employee payroll stubs.

- Are there employees on payroll that are not showing payroll deductions for benefits?
 - i. Do you have a valid waiver on file for those individuals? If not, this is an opportunity to assist with compliance and remind the employer of the importance of the waiver, or perhaps enroll the individual on the spot
 - ii. Or perhaps they have already enrolled and the employer failed to take deductions
- Are the deduction amounts being withheld consistently amongst all employees?
- Are the premiums being deducted on a pre tax basis?
 - i. Does the employer have the documents (POP) to allow for this? Review those documents*.
 - Do the documents allow for automatic enrollment or do they require a signed form?
 - Do the documents include all applicable benefits? There may be plans that you're not aware of, such as American Fidelity or AFLAC, and you're the broker and should know about all benefit plans in place. There may be three separate

Payroll services, and the fees involved, are often hard to understand, and include fees that may be unnecessary, inflated and duplicated...The report may not be special, and it should not be assessed each pay period as it's simply an automatically generated report.

125 documents that no one knows about.

- Medical, dental, vision, etc should be pre-tax unless the employee has opted out, in writing, for the tax-free deduction.
- Premiums for disability insurance should be deducted on an after tax basis.
- If the employer allows for HSA contributions to be made through payroll, the Section 125 document must indicate this.
- If the client has an FSA, also look to make sure the deductions match those of the TPA for this plan. I've seen participants be reimbursed a full year, yet never had deductions taken.
- If they have a parking or commuter benefit plan in place, make sure the employer understands that parking benefits that an employer pays for are no longer deductible business expenses—so it should be done via Section 132 as an employee payroll deduction/reimbursement.
- ii. When reporting wages to Workers Compensation, make sure that the premium deductions are excluded first! Employers in California enjoy a savings in this area that may be missed.

• Consider having a dependent audit every year or so. Your client may have cousins, grandparents, or non eligible individuals on those employer-provided benefits. It is not difficult for smaller companies. When enrolling, employees should be submitting proof of marriage, children, etc.

Note: If the employer does not know where the SPD and Premium Only Plan Documents are, have them created. An SPD can run between \$300-750, and a POP documents can run between \$99-300. Those documents do not need to be created each year—nor should they expire at the end of a year. They only need to be revised or updated if there are changes or modifications. And if you're creating new S 125 documents, you may as well put in HSA contributions, just in case that is missed if HSAs are being offered.

The bottom line is that you may see deductions that are incorrect, benefits you're not aware of, duplications, or issues that should be adjusted. As the broker, you're supposed to

be aware of the benefits—but as a payroll service provider, I've also done general reviews/audits and discovered payroll fraud, such as having certain employee contributions for benefits be wrong, or free, and have even discovered a 'ghost employee.' By looking beyond the basics, we have helped our clients and built upon the trust we already had, and I think you can do the same as a broker!

Payroll Services & Fees

Payroll services, and the fees involved, are often hard to understand, and include fees that may be unnecessary, inflated and duplicated. One fee I see quite often is for 'special reports.' The report may not be special, and it should not be assessed each pay period as it's simply an automatically generated report. I've also seen letters from the payroll company indicating that the client needs to have a valid document on file to pre-tax premiums. And the same service provider indicates they can do this for them. HA—of course they can, for a fee. I've also been told that the payroll service provider has indicated that the deductions are not allowed to be taken on a pre-tax basis due to the service not having a POP document in their records. I say baloney! The payroll service does not need those documents—nor should those documents expire at the end of each year. The payroll service is just that—a service provider. They are not the benefit broker, nor are they the employer. But the letter creates confusion and fear, and that fear can cause the client to depend upon the payroll service company for compliance in the benefit arena. You're the benefit expert and you should be reviewing the payroll and payroll service fees to make sure the payroll service provider is doing what is necessary. Follow these simple steps and take control over the benefits, the deductions and maybe even get some credits or refunds for your clients.

This is fun because you'll oftentimes be able to provide your clients with immediate savings and increase your value.

Request a copy of the client payroll invoice. Confirm it is consistent each pay period, or request two or three pay periods.

The payroll service should be reputable, accessible and have a live person the client can talk to. Beware of very low cost service providers, as the fees may appear to include everything—but the employer would then need to pay additional costs for W2s, tax payments and more.

Look at the payroll invoice and the line items

Do you see fees for check signing? Direct Deposits? Special Reports? Your client shouldn't be paying for those.

Payroll posters? Should be free.

Anything you see on that payroll invoice that isn't clear should be questioned.

If there are flat fees per employee, find out what those are for. Employers may be paying for HR or compliance tools that they never requested, or haven't utilized.

Fees for ACA compliance for a group of three employees? Oh come on.

Accrual fees? Again, this should be included.

Is the payroll provider also the WC insurance broker? Perhaps you have a relationship with a trusted property/casualty broker who should be consulted? Or if you are licensed this could be brought under your business.

Look at every fee. Understand and question everything. If nothing else, I have been able to tell clients that they can get the same services for less and I've put it in writing. The payroll service then (miraculously) waives that fee. Why not get your clients the best services possible and lower the costs?

Sometimes I see compliance fees, HR services, onboarding costs, and more—which are costs that the employer doesn't need, never used, or are unaware of.

Here are standard fees that make sense from my perspective:

Processing Fee (a flat amount per pay period processed)

- Per check fee (\$0.75 – 2.50 per check written)
- Tax Filing Fees (\$10 – 20 per state, per payroll)
- Garnishments, 3rd party checks, etc (\$2-4 per check)
- California New Hire Reporting Fee (\$3-6 per)
- COBRA Administration \$1 pepm (yeah, maybe – but you should be aware of this)
 - Retirement Plan Fee (again, are you aware of this?)
 - Delivery Fee (only applies if the payroll has 'live checks' to be delivered)

If you have any payroll invoices you would like reviewed, you can send them to me and I'll give you an honest assessment. I'm happy if the payroll service provider waives fees, as that allows business to reduce costs and perhaps increase benefits!

The payroll service should be reputable, accessible and have a live person the client can talk to. Beware of very low cost service providers, as the fees may appear to include everything—but the employer would then need to pay additional costs for W2s, tax payments and more. Or, perhaps the client is responsible for making the tax payments? Loss leaders are just that: a way to get in and hopefully get more. If the client doesn't use more of the service bureau's offerings, the service itself is going to decline because the revenue isn't sufficient.

If they sell or offer insurance benefits, be wary and remain at the forefront of your client's mind in all benefit areas.

Payroll service bureaus should be motivated by providing great services at competitive prices for their clients, and not be using the payroll service as a means to obtain the benefit business. I'm not saying it can't be done, but in my many years (28!!) in this business I can vouch for the integrity of the broker when it comes to benefits—that is their specialty. As a payroll service provider, we make enough money to be in business, and would rather stay in our area of expertise to assist the client in a responsible way.

Bobbi Kaelin joined PayPro Administrators in 1991, and has worked internally in compliance, plan design and client (participant) services. She primarily works with brokers, agents and employers on tax-advantaged plan designs, COBRA and CDHP. PayPro Administrators provides payroll, pension, CDHP administration, compliance and reporting services, and more—all designed to support the broker/agent in the healthcare industry. She is a California Department of Insurance Education Provider, a frequent speaker at industry events, and is the Immediate Past President of the Los Angeles Association of Health Underwriters. She lives in downtown Los Angeles and is active in her community as well as EBPA and NAHU.



GOVERNOR NEWSOM AND AGING

For the first time in our history, older Californians will outnumber young children.

By LOUIS H. BROWNSTONE

In his State of the State address on February 11, newly elected Governor Gavin Newsom spoke the following words regarding aging and long-term care:

“Now, let’s talk about something too often overlooked: The Golden State is getting grayer. We need to get ready for the major demographic challenge heading our way.

For the first time in our history, older Californians will outnumber young children. Over the next decade, our state-wide senior population will increase by 4 million. In 25 years, it will double. And more than half will require some form of long-term care.

Growing old knows no boundaries—aging doesn’t care what race you are, your economic status, or if you’re single with no other family support. I’ve had some personal—and painful—experience with this recently. I lost my father over the holidays, after years of declining physical health and dementia. He was determined to live out his days with dignity. He also happened to be a retired public official with a pension and a support circle of family and friends. Even with all those advan-

tages, it was a daily challenge to meet his needs so he could live in peace and maintain a good quality of life. Millions of Californians share a similar story, and the numbers will only grow. It’s time for a new Master Plan on Aging. It must address...person-centered care.”

Governor Newsom is really speaking about two related issues. The first is the financial impact of the aging baby boomers as they become sick and place huge burdens on Medi-Cal. He states that long-term care expenses will double in 25 years, and that’s probably a low estimate.

The annual Medi-Cal increases will probably be over 5% per year now, but could grow to as much as 10% per year from 2030 to 2050. This is even in the absence of some sort of a single payer system for health care, which would cost billions more. Where is the money going to come from? The Legislature is already grappling with this problem, and answers are hard to come by.

The second issue regards caregiving. Most caregivers will be family members because there will be a shortage of professional caregivers

and most families won’t be able to afford their cost. Many of you reading this are or have been caregivers. You know that caregiving is tough! It changes your life, let alone that of the person receiving the care.

It’s likely that Governor Newsom will bring a new sense of purpose to Sacramento and propose new solutions to aging and caregiving. Goodness knows we need new caregiving solutions right away. We now have a patchwork of many public and private agencies providing caregiving to various segments of our population who often don’t know of or understand the programs that are available. There’s a possibility that the Governor will appoint one person to try to consolidate these programs.

The most comprehensive study on caregiving I know of is “Beyond Dollars” by Genworth Financial, which researched some 1,200 caregivers, care recipients and family members in 2018. The big takeaway is that caregiving takes a significant toll on the financial, physical and emotional lives of the families and friends of every care recipient.

It's likely that Governor Newsom will bring a new sense of purpose to Sacramento and propose new solutions to aging and caregiving. Goodness knows we need new caregiving solutions right away.

No surprise here, but look at some of the statistical conclusions:

- 60% of caregivers had to cut back on luxury expenditures;
- 41% of caregivers had depression and feelings of resentment;
- 53% had a high level of stress;
- 46% believe their health and well-being was negatively affected;
- 52% did not feel qualified to provide physical care;
- 48% had to reduce their quality of living;
- 70% missed time from work;
- 30% missed career opportunities;
- 50% have less time for their spouse, children and themselves;
- 63% had to pay for care with their own savings/investments;
- Family caregivers spent an average of 21 hours/week on caregiving;
- Family caregivers spent an average of \$10,423/year in out-of-pocket expenses.

One can see from these numbers what a devastating impact a sick family member can have on the entire family. Those of us who are long-term

care insurance specialists are well aware of what these numbers mean. We listen to many caregiving scenarios from clients which verify these statistics. We also listen to scenarios where prospects have waited too long to get covered and have become sick.

“People don’t plan to fail, they fail to plan.” What about your clients? Have you advised them of the need? There are now a variety of products which provide long-term care solutions. Are you sufficiently educated on the various new options now available? Do your clients have a robust long-term care plan with inflation protection in place? Have you fulfilled your fiduciary duty?

Louis H. Brownstone, a member of the Cal Broker editorial advisory board, is chairman of California Long Term Care Insurance Services, Inc., in Burlingame, California. California Long Term Care is the largest independent specialist long term care insurance agency in California, and is broker for a group of high-producing long term care specialist agents. Brownstone is also very active in NAIIFA, the National Association of Insurance and Financial Advisors.

**DO YOU NEED
THE EXPERTISE
OF A LEADING
LTC INSURANCE
BROKER?**

**We Provide
Top Commissions and
Sales Support**

Call or Email
LOUIS BROWNSTONE
(800) 303-1527
louis@cltcinsurance.com

USING TECH TO MANAGE BENEFITS

By **RON GOLDSTEIN, CLU**

The rise of smart devices has increased the amount of information available to employers and employees. It is affecting virtually all industries, including health care and employee benefits. Many business owners are throwing the traditional “one-size-fits-all” approach to employee benefits out the window and, instead, are moving to personalized benefits packages customized to each worker’s health care needs and wants.

On top of this, an increasing number of employees view ancillary benefits such as chiropractic, dental and vision care as essential to maintaining their health. Yet, efficiently managing benefits that vary from client to client (and employee to employee) can make it difficult for even the most experienced brokers to keep all of the details organized. The good news is that technology, coupled with great service, is a winning strategy for brokers.

Business owners and managers rely on a range of technology platforms and software solutions to keep their businesses running. For example, many small busi-



INSURTECH



For groups of 50 to 100 employees, technology is a necessity. These organizations typically have a human resources department, third-party payroll, and rely more heavily on a broker, consultant, and other outsourcing partners for insurance and related services.

nesses use accounting software like QuickBooks for bookkeeping, Gusto or ADP for managing payroll and UltiPro for human resources activities. Apps such as Adobe Scan, Evernote and Slack help employers increase productivity, while helping employees organize their personal and professional lives.

For some brokers, there is a perception that technology is less important for groups with one to 25 employees. These firms are often owner-managed, with homegrown payroll, and they tend to rely heavily on health insurance carrier tools and resources, rather than broker technology.

In the mid-market segment, where the employer may have 25 to 50 workers, there is often a greater need for technology. The company is more likely to have an HR manager and use a third party for payroll services. They are less reliant on carriers and tend to expect more services and value-add benefits from their broker.

For groups of 50 to 100 employees, technology is a necessity. These organizations typically have a human resources department, third-party payroll,

and rely more heavily on a broker, consultant, and other outsourcing partners for insurance and related services.

Of course, typecasting is not always reliable, especially when it comes to businesses and today's changing health insurance marketplace. There are small firms engaged in tech and related fields that expect technology to be a part of their insurance research, analysis, enrollment, and ongoing benefits management program. There may be larger firms that are still owner-managed and less reliant on tech and third parties to facilitate insurance, payroll, and HR. What is important is that brokers get to know clients and adapt to their specific needs.

There are several ways technology can help brokers and client companies manage traditional and ancillary benefits:

- **An Emphasis on Decision-Making:** Six years ago, the Pew Internet & American Life Project found nearly eight in 10 internet users went online to a search engine when seeking health-related information. The Soft-

ware Advice survey found 82% of respondents consulted review websites to view or post ratings and comments for health care providers. A recent update to that survey found the number increasing to 94%. Decision-making tools, which range from traditional and ancillary plan comparisons, web-based doctor and hospital directories and cost estimators, allow brokers to better service small group clients with varying numbers of employees.

- **Speedy Access to Information:** Consumers are increasingly relying on their phones to manage all aspects of their lives. They have come to expect a certain level of speed when it comes to accessing personal health information like activity level, calorie consumption and daily exercise tracking. For consumers, smartphones and apps are a big component in the health care experience, even as it relates to their insurance and benefits management.

Still, the majority of insurance and employee benefits specialists continue to use desktop and laptop com-

While we await development of additional apps to help benefits professionals...it is in brokers' best interest to keep an eye on new and emerging technologies to demonstrate their continued value as professional advisers to employers.

puters to manage their small group clients' programs. Some brokers are making the move to tablets and smartphones, but the adoption remains slow except among younger brokers, who may be more comfortable with the technology. Carriers, general agencies and administrators are implementing more mobile-friendly tools to assist brokers in managing their business.

While we await development of additional apps to help benefits professionals with their small group health, chiropractic, vision and dental plans, it is in brokers' best interest to keep an eye on new and emerging technologies to demonstrate their continued value as professional advisers to employers.

- **Condense and Simplify Choices:** The service industry norm more than a decade ago focused on one-on-one interactions in brick and mortar stores. Now, most people prefer the convenience of online shopping. The same is true for health insurance, at least for employers and employees in the early stage of identifying their options. One useful tool brokers can

share with clients allows them to better match their health care needs with the right plan based on frequency of doctor visits, anticipated out-of-pocket costs, physician preferences (and whether they will be in-network) and overall quality of plan based on health plan member feedback.

However, technology alone is not enough. It is a non-starter without a human partner. It only works if there is a broker who can explain and provide strategic counsel to the group and its members. Otherwise, what is missing is personalized service from what many consider a sterile online environment. Several years ago, an IBM-commissioned poll of 1,000 U.S. consumers found an overwhelming preference for personalized service and human interaction from insurance providers.

That preference for simplicity, personalization and service is even stronger today. As the National Business Group on Health notes, employers continue to explore solutions that can deliver a centralized approach to decisions on health care for employees. Brokers who adopt helpful tech-

nology, such as online enrollment, prioritize the experience for employers and employees and deliver strong service are in a great position to grow their business and achieve greater success.

Just as consumers consult Yelp for business reviews, use TripAdvisor to plan a vacation and make restaurant reservations using OpenTable, they will seek online resources to guide their decision-making process for health care. Brokers able to stay on top of new technologies, introduce them to their groups and use them to better manage traditional and ancillary employee benefits will remain in the driver's seat for years to come.



Ron Goldstein, CLU, is president and CEO of CHOICE Administrators®, which provides health insurance options and provider access to small businesses and their employees. He also created and currently manages America's longest-standing, state-approved exchange, CaliforniaChoice. For additional information, please visit <http://www.mycalchoice.com/>.

LIFTING THE VEIL ON SHORT-TERM INTERNATIONAL POLICIES

The difference between quality coverage and bargain buys

By TODD TAYLOR

His family's in Minnesota, mine is in Louisiana, so we figured why not get married somewhere exotic?"

"Anyway, I'll be living in Germany for the next eight months while we finalize this project."

"Three weeks in Asia—It's a little graduation present to myself."

"Tour de France, here we come!"

Welcome to peak travel season. It's prime time for weddings, honeymoons, vacations, family reunions, sporting events, and anything else that gets people on the move. And, oh by the way, business travel doesn't stop between now and the end of July, either. With all these quick trips abroad, what do your clients want to know? The answer boils down to two things: Do we really need an international policy, and how much will it cost? In order to answer those questions, you need to understand what sets each policy apart. So, here's a deep dive into what you need to look out for when comparing policies for

your clients' short-term travel plans.

Pre-existing Medical Conditions

Chronic or underlying health conditions contribute to more than 75% of total claims spent in the U.S. It is no surprise that this pattern continues abroad. That's because what ails your clients at home, follows them. Although many clients associate international travel with endemic infectious diseases like malaria or ebola, it is more likely their trip will be interrupted by a flare-up of arthritis, not a pandemic fit for a Robin Cook novel.

While there are some plans and carriers that offer adequate coverage for pre-existing medical conditions, many short-term international health policies limit coverage to a very low dollar threshold or withhold it altogether. Although these plans are offered at an attractive price-point, they can quickly lose their luster once a chronic heart condition rears its ugly head overseas. It quickly becomes clear that the "cheaper" international health insurance policy wasn't worth

the initial savings. Now your clients find themselves on the hook for a large medical expense that their insurance provider refuses to pay.

On top of that, some travel policies administer claims as a secondary health insurance plan. Meaning they pay out only after a domestic policy—adding time, hassles and creating confusion. Other short-term global policies administer claims in a primary manner, often paying overseas medical providers directly: making payment seamless with less hassle for your clients.

Pre-certification Of Services

Ah, the good old days. If you're old enough, you may remember the U.S. managed care plans from the 1980s where clients were responsible for reporting their own medical services prior to receiving them. And if they didn't, they could get dinged for 50% of the cost—or even the entire bill.

Well, those days aren't over just yet. Many international plans still require policyholders to have some



There are a variety of policies available to your clients in terms of short-term travel coverage, and many offer tempting rates. However, these cheaper price points can actually prove to be more expensive in the long run.

scheduled services pre-certified by their provider. And even then, they may require the policyholder to get a second opinion before authorizing payment. If your clients aren't aware of these hidden clauses in their policies, or they're just too busy to do the leg-work overseas, they may be in for a rude—or at least expensive—awakening.

To help your clients avoid any surprises, look for policies that don't require pre-certification of services. And if they do, be sure your clients are aware that it is their responsibility to work with the medical providers before they embark on their trip.

Drug Exclusions

Remember that part about, "What ails your clients at home, follows them overseas?" That leads one to believe that your clients are going to need access to medication for that same chronic condition while they travel. Many short-term policies carry heavy restrictions on maintenance medications outside of the U.S. So, if your diabetic client boards a train to Munich, only to realize they've left their insulin at their hotel in Prague, they may be reaching into their own pocket for payment, not their insurance provider's.

Network Selection Standards

Waiting to see a doctor for the first time is kind of like waiting on a blind date. You ask yourself questions like, "Who are they? What are they like? What's their background?" Those questions may feel exciting leading up to a night out, but your clients don't want to be doing that kind of guess work when it comes to their medical care.

Many policies don't offer much in the way of network information, which would provide valuable details about the doctors they are able to see. For instance, your clients may want to know that their healthcare professional is in fact board-certified and has an existing contract with the insurance company—meaning the company has an obligation to guarantee payment to that doctor or facility. Also, does the healthcare provider bill the insurance company directly? Many Americans are used to going in, flashing a smile and an insurance card, and they're out the door. That's not always the case with international healthcare.

By recommending policies that give clients access to that level of information, you help ensure that this blind-date has the best chance of being a match made in heaven.

Real Costs

There are a variety of policies available to your clients in terms of short-term travel coverage, and many offer tempting rates. However, these cheaper price points can actually prove to be more expensive in the long run. In fact, many Americans with chronic health conditions may come to realize that their bargain coverage is practically worthless, once they experience a flare-up overseas. On top of that, there is very little difference between the price of these plans—meaning clients may be surprised to see how little extra they have to pay to receive exponentially better coverage.

Some clients may balk at the idea of spending money on an international health insurance policy because they assume their domestic policy extends seamlessly overseas. Or, they can't imagine taking on the extra expense. In reality, a domestic policy could leave them with significant gaps in coverage outside of the U.S., and adding international coverage may only cost them an extra \$1 to \$6 per travel day, for travelers 18 to 64 years respectively. Once they weigh the option of spending only \$50 for international coverage (the reality in many instances), with the risk of spending \$5000 on their deduct-

ible alone plus any remaining medical costs through their domestic insurance, the decision makes itself. Of course, the case only gets stronger for mature travelers given Medicare limitations abroad. Consider that a 73-year-old traveler can qualify for coverage at under \$10 per day.

Final Thoughts

In the end, recommending the right policy for your members isn't difficult, and there are policies that help your clients avoid headaches or gaps

in coverage. Your challenge is to select the policies that provide a "total package" of benefits that best fit your clients' needs. If you have any questions about a policy, reach out to the provider sales team for help. A quality provider should make sure there is always someone there to help you find the right answer. By paying close attention to small caveats in the policy, and asking the right questions, you can help your clients travel with more confidence in both their coverage and in you.



Todd Taylor is the Midwest and Southern Regional Sales Director for individual products at GeoBlue. GeoBlue is the trade name for the international health insurance programs of Worldwide Insurance Services, an independent licensee of the Blue Cross Blue Shield Association. GeoBlue combines mobile technology and worldwide healthcare expertise to deliver assistance and health benefits for the health, safety and convenience of world travelers.

Evacuated in Vietnam

Most married couples will tell you that after conquering the seating chart, squirming through toasts, and managing to navigate two different families through one perfectly choreographed evening, the honeymoon isn't just a vacation... it's rehab.

Unfortunately for two newlyweds, their relaxing honeymoon in Vietnam was quickly interrupted by a medical emergency—putting their marriage, and global health insurance, to the test.

Nha Trang, Vietnam, is a popular beach town approximately 300 miles north of Ho Chi Minh City. But instead of lounging on the sand, this honeymooner found himself lying in a hospital bed with a perforated duodenal ulcer and other accompanying medical problems. Since the local medical facilities were not equipped to handle a critical emergency such as this, the man relied on his global medical insurance provider, GeoBlue, to coordinate care elsewhere.

GeoBlue's medical assistance team arranged transport via air ambulance to Bangkok, Thailand. There, the man could be treated by a U.S. board-certified gastroenterologist affiliated with Bumrungrad Hospital, an internationally recognized medical facility, operated by a U.S.-based company.

The air ambulance flight needed to be carefully orchestrated since the air strip in Nha Trang is open only from sunrise to sunset. Special approval to keep the airport open after dark was coordinated through the U.S. consulate in Ho Chi Minh City. The air ambulance arrived in Nha Trang within 24 hours of initial notification.

Once the patient was considered fit to fly, GeoBlue coordinated and paid for the return trip to the U.S. to continue treatment. Doctors advised that a non-medical escort would be appropriate, and the spouse's transportation costs were covered.

The value of great international medical insurance

Medical services in Vietnam	\$1,788.00
Air ambulance evacuation to Bangkok	\$45,000.00
Medical services to Thailand	\$28,523.00
Patient and non-medical escort	\$11,232.00
Total Incurred Expenses	\$86,543.00

Premium paid for international coverage for their trip: \$23.00

HOW DISABILITY RELATES TO FINANCIAL WELLNESS

Q&A with Guardian's TREG BALDING

The Guardian Life Insurance Company of America has published its 6th Annual Workplace Benefits Study. Out of the study, the company culled a financial wellness series. Treg Balding, vice president, group and worksite markets distribution, took time to answer a few Cal Broker questions recently.

CB: What was the most salient or interesting finding from your recent financial wellness paper?

These sets of findings, which are from Guardian's 6th Annual Workplace Benefits Study, Financial Wellness Series, Part 2, "Income Protection: The Role of Disability Insurance in Financial Wellness," found only 54% of working Americans have disability insurance. This is down from 65% in 2017, leaving an increasing number of workers exposed to the financial risk if they were to lose their income due to an extended illness or injury. Overall, the percentage of employees who own

disability insurance is considerably lower than other forms of insurance – medical (96%), auto (92%), dental (83%), and life (73%).

CB: You called the report "financial wellness"—can you expand on why you see disability as a financial wellness issue?

This paper is the second in a three-part financial wellness series developed by Guardian to highlight the financial needs and concerns of working Americans, and to provide solutions for employers to help address those concerns.

Disability insurance plays an important role in the financial wellness conversation because it protects a family's income should someone be out of work unexpectedly for an extended period of time. We find that when it comes to protecting what's most important to consumers, income and the ability to earn a living tends to be an overlooked asset and is unprotected for many American workers. In terms

of priorities, protecting our income falls far below ensuring our health, home and even our car.

To put it in perspective, Guardian's research reveals that roughly half of those who have experienced a disability withdrew money from savings, investments, and retirement accounts to help pay bills and make ends meet. And half of those employees who have experienced a disability did not feel prepared in terms of their family's financial security prior to the disability.

The financial impact of an unexpected injury or illness to a family's household can be detrimental, so it's important to educate employees about the value of disability insurance.

CB: Why do you think fewer Americans have disability insurance?

Not only do many employees think an income-disrupting disability is unlikely to happen, but many also lack awareness about the benefits of disability insurance. Often, employees

The financial impact of an unexpected injury or illness to a family's household can be detrimental, so it's important to educate employees about the value of disability insurance.

don't know about the options that are available to them, how common being out of work due to an injury or illness is, and the financial repercussions of a disability, even with insurance. According to Guardian's latest research, only one in 25 consumers exhibit a high level of disability insurance knowledge.

Guardian has found that the lack of education and awareness related to disability insurance has led to some myths such as:

- I don't fit the profile: Americans tend to believe that disabilities are likely to happen to workers in more "dangerous" professions like construction or mining, or employees who are older and/or male. In reality, people of all ages, all demographics, and all professions have roughly the same potential to experience an income-disrupting injury – such as a serious fall or an illness. According to the Social Security Administration, one in four of today's 20 year olds will experience a disability that leaves them unable to work for an extended period of time before they retire.

- "Disability insurance" is for the disabled: For many, the name itself - disability insurance - likely generates confusion and a perception that it refers to long-term and life-changing disabilities. This misnomer contributes to lower consumer understanding of why employees should consider getting disability insurance. At Guardian, we think educating employees with real-life scenarios and demonstrating how disability insurance protects their paycheck in either the short or long-term is important.

CB: What's the most important take-home message from this paper for brokers and/or agents?

Guardian's research found Americans with disability insurance are most likely to acquire it via their employer (93%) vs. on their own (7%), highlighting the critical role that employers play in ensuring that the American workforce has disability insurance.

With employees favoring more employee benefits choices to increase

their financial security, this poses an opportunity for brokers, agents and benefits consultants to create a narrative around the need for disability insurance. Disability insurance can round out an employers' healthcare offerings and provide valuable income protection for individuals in case they become sick or injured and are unable to work. In today's candidate-driven market, this can be a key differentiator for an employee when deciding on where to work. At Guardian, we also recommend having a conversation with employers about a holistic, integrated plan that includes not only disability, but absence management as well. This integration ensures that the company has a plan in place for how they manage an employee's leave.

Finally, our research continues to validate that financial protection products, like disability insurance, can demonstrate to employees that their employer values them. The result will be increased retention and happy, engaged employees.

THE VISION CARE CONNECTION

Helping Clients Tackle Challenges of Costly Diseases

By JOE WENDE

As EyeMed's medical director, I enjoy working closely with our clients and the broker community, meeting with them and talking to them about the vision-wellness-disease detection connection.

Obviously, I'm an advocate for vision benefits, but I'm ultimately an advocate for vision care. Vision care is a great contributor for early detection of chronic and costly diseases, making it an important and often overlooked component of wellness and disease management programs.

But before I talk wellness, I know it's important to acknowledge employers' healthcare costs and savings concerns, so let's start there.

Look at the health costs and savings

Vision benefits are relatively inexpensive, with the employer paying a small portion of the cost, or nothing at all. Armed with that important knowledge, you can help your clients focus on the importance of vision benefits to their overall employee health and wellness

picture by looking at some bottom-line impacts.

Impact 1: The Centers for Disease Control (CDC) reports that chronic conditions like diabetes and hypertension account for 75% of U.S. healthcare spending – and a large percentage of illness-related absenteeism.

Impact 2: Gallup Analytics showed employers offering vision benefits saved approximately \$5.8 billion over four years due to greater productivity, decreased healthcare costs and lower employee turnover.

Regular comprehensive eye exams can identify and allow early intervention for chronic conditions like diabetes, hypertension, heart disease, high cholesterol, glaucoma, cataracts, diabetic retinopathy, and more. Put these together and vision care represents an opportunity to realize significant cost savings through early detection and early intervention.

Because of that, vision benefits that include annual eye exams are one of most important and cost-effective things your clients can do to encourage wellness and drive down healthcare costs.

Here's a closer look at some of the top chronic conditions I talk about with clients and brokers, their effect on the healthcare economy, and how vision benefits can help.

Costly chronic diseases

1. Diabetes

In the International Foundation of Vision Benefits Plans' (IFVBP) "2018 Workplace Wellness Trends Survey," more than 44% of employers tabbed diabetes as the most significant contributor to health benefits costs.

There's no question that diabetes has reached near-epidemic status. According to the CDC, 30.3 million Americans have diabetes, resulting in \$245 billion in direct costs and lost productivity. Another 84 million have pre-diabetes.

Diabetes is expensive to treat. According to the ADA, diabetics spend about \$13,700 per year more on their healthcare than those without diabetes.

But that's just the start of the ways diabetes affects people's lives. The American Optometric Association has found that 12,000-24,000 people a year lose their vision because of diabe-



tes complications that often could have been detected early and treated.

Vision care plays an important role by detecting symptoms early and checking on the disease's progress through regular vision exams.

2. High blood pressure

High blood pressure (hypertension) is "the silent disease" that often lacks symptoms – and even though it affects 76.4 million American adults, and is a risk factor for stroke, more than one in five don't know they have it.

Hypertension was cited for high associated costs by nearly 28% of respondents in the 2018 IFVBP workplace survey – and for good reason: An American Heart Association study found that people with high blood pressure spend nearly \$2,000 more per year on healthcare.

Regular eye exams can find changes in the retina's blood vessels that indicate high blood pressure, and eye doctors can work with primary care doctors to ensure appropriate and timely treatment.

3. High cholesterol

According to the American College of Cardiology, high cholesterol affects about a third of U.S. adults, but only a third of that group has their condition controlled.

Untreated high cholesterol increases the risk of heart disease and heart attack, and costs \$60,000 for each quality year added to patients' lives.

Again, regular comprehensive vision exams can detect changes in the eye that are early signs of high cholesterol, making vision benefits a key first line of defense in enabling diagnosis and early management of this expensive condition.

What to look for when evaluating vision benefits

Clearly, vision benefits can be a powerful, painless, relatively inexpensive disease detection and management tool that can help address the health and wellness challenges of your clients

and their employees. At EyeMed, we find that more employers are seeing this connection to improving overall health outcomes and savings, and investing in utilization as a result.

So what should you look for when evaluating vision benefits companies – from a member and client standpoint? First and foremost, a lot of support. Vision benefits usually require education and communication for clients and members, so they can understand and value the connection to health, wellness and wallet. And the more they see the connection, the easier it will be for you to sell and implement the benefit.

Also, when evaluating vision benefits, remember to:

1. Make sure vision benefits include an annual eye exam. It's always good to recommend an annual frequency on eye exams because without them 42% of consumers would forgo annual vision appointments and 36% wouldn't know if they were developing glaucoma or cataracts.

2. Look for client integration points. Here I mean things like employee risk assessments, ICD-10 code collection for health plan data integration, and consultations with the vision company's medical director. EyeMed requires network providers to report on more than 250 ICD-10 codes for eight high-risk conditions, including hypertension and diabetes. This encourages HIPAA-compliant coordination between vision care and medical care and truly helps build the vision-wellness-disease detection connection that makes a difference for employers.

3. Look for targeted communications for at-risk members. In addition to assessments and reporting, it's important that the vision benefits company provide clients the option of sending proactive eye exam reminders to those whose past eye exams indicated a health risk – signs of diabetes, hyper-

tension, or glaucoma, for instance. And for employees who haven't yet used their annual eye exam benefit, look for a communication program that targets members with eye exam health and wellness messages.

4. Make sure members are offered multi-channel communication and education. This starts with enrollment and continues through onboarding and benefit use. A strong program should offer benefit or health fair support through communications and sometimes even onsite representation, new-member welcome kits with member ID cards (even if members don't need cards, they like having them), vision health e-newsletters and websites, and even member text programs that explain benefits, cover vision care topics and provide opportunity for extra savings perks.

5. Ask yourself, "How easy is it to access and use benefit information?" It should be easy for a member to find, understand and use their benefit information. Can the member look up online (or via a mobile app) their current benefit coverage and eligibility, find a network eye doctor nearby or check on the status of their claim?

Next time you talk to your clients about their wellness initiatives and healthcare spending controls, I hope this helps you remember the vision care connection, and helps you help your clients with some of their big challenges.



Joe Wende, O.D., senior medical director for EyeMed, represents the voice of the eyecare professional and offers a unique perspective gained from three decades of wide-ranging experience in vision care, from eye doctor to industry-relations professional. He earned his Doctor of Optometry degree from the State University of New York's College of Optometry. Visit eyemed.com for more information.

Big Plans for the Future? Insure Your Media Buy Includes...

CALIFORNIA BROKER
McGee Publishers • 3727 W. Magnolia Blvd., #828, Burbank, CA 91505 • (800) 675-7563 • Fax (818) 843-3493

2019 EDITORIAL CALENDAR
BONUS CIRCULATION

CALIFORNIA BROKER
CONFIDENTIAL
Employee Benefits
Small Group: Uncover your value with new benefits administration solutions for employees!
Also Inside: The Latest in Insurance Agency Marketing • Current Insurance • Life Settlements • The Paid Legal and more.

MONTH	FEATURE FOCUS	ALSO INSIDE
JANUARY	2019 Industry Outlook Health, Life and more	Meet Cal Broker's New Editorial Advisory Board Wellness Part I Travel Insurance Wellness Part II Consumer Driven Health (HSAs) Life Settlements & IUL Vision
FEBRUARY	The Millennial Issue Survey: GA View from the Top	San Diego AHU Sales Expo Orange County AHU Business Development Summit
MARCH	Large Group Survey: Large Group View from the Top	Inland Empire AHU Symposium AHU Annual
APRIL	Vision Disability	
MAY	Voluntary Benefits Survey: Voluntary Benefits View from the Top	
JUNE	All About Ancillary P	
JULY	Survey: Dental Ca	
AUGUST	Medicare Insurtech	
SEPTEMBER	Life Life Settlementer Survey: Life V	
OCTOBER	Open Enrollment Survey: Large G ANNUAL INSURANCE	
NOVEMBER	Individual and S Survey: Small Gro	
DECEMBER	Voluntary Benefits Survey: Voluntary Benefits Carriers	
EVERY MONTH	News, Medicare Insider, Guest Editorial, Agent's Voice	

*** CALIFORNIA BROS INSURANCE DIRECT**
A complete sourcebook of the entire insurance industry in California, Source of 50 products, plus Health Carrier and Vision Plans. Agencies with broker phone and email.

CALIFORNIA BROKER
Contact: Devon Hunter 626-755-4770

"Brokers, we



BenefitMall

 **CaliforniaChoice**
Your Health. Your Choice.®

**ROGERS
BENEFIT
GROUP**


**COVERED
CALIFORNIA**

Word&Brown.

brand new day

 **UnitedHealthcare**®

got your back."

It's been a tough year.
You've been working hard
and we appreciate
your service.
Thanks from all of us
for serving your
clients so well.

CALIFORNIA BROKER

#insurancestrong #brokersaresuperheroes

PETERSEN
INTERNATIONAL UNDERWRITERS

blue  of california

 **Regal**
Medical Group, INC.

WARNER PACIFIC 

 **Dickerson Insurance Services**
Authorized General Agent AN ALERA GROUP COMPANY



▶ **AD INDEX**

<p>2 Brand New Day bndhmo.com 866-255-4795</p>	<p>3 CaliforniaChoice calchoice.com 800-542-4218</p>	<p>5 Petersen International Underwriters piu.org piu@piu.org 800-345-8816</p>
<p>23 Benefit Mall www.benefitmall.com 800-350-0500</p>	<p>9 Covered California coveredca.com/forsmallbusiness 844-332-8384</p>	<p>11 United Healthcare www.uhc.com</p>
<p>47 Blue Shield www.bsca.com/sellsupp 800-559-5905</p>	<p>7 Dickerson Insurance Services thebrokersga.com sales@dickerson-group.com 800-457-6116</p>	<p>48 Word & Brown wordandbrown.com (Northern CA) 800-255-9673 (Los Angeles) 800-560-5614 (Inland Empire) 877-225-0988 (Orange) 800-869-6989 (San Diego) 800-397-3381</p>
<p>29 California Long Term Care Insurance Services Inc. www.CaliforniaLongTermCare.com 800-303-1527</p>	<p>19 OCAHU https://guesttli.st/603120</p>	
	<p>15 PayPro www.pagroup.us</p>	

▶ **CLASSIFIEDS**

PAYING TOP DOLLAR FOR BOOKS OF BUSINESS

We Don't Just Buy Them

We Service Them



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

E & O

LOWEST RATES IN THE INDUSTRY GUARANTEED!

ErrorsAndOmissionsOnline.com

800 399-3125

ELIMINATE YOUR LIABILITY

Refer me YOUR clients going on DISABILITY CLAIM. MORE articles written...MORE testimonial letters received and MORE money secured (1.7 BILLION dollars) on behalf of clients than anyone living in the U.S.



Get a FREE copy of my book that will help you understand the nuances of a disability claim!

ART FRIES, RHU friesart@hotmail.com
1-800-567-1911 • www.afries.com

CLASSIFIEDS SELL!

818-848-2957
Thora@calbrokermag.com

Visit www.calbrokermag.com



cover them for
whatever comes next.



Selling Medicare Supplement plans just got easier

Our new streamlined portfolio simplifies choosing the right plan by offering your clients four distinct plan options that meet a range of coverage needs and price points.

Your clients will also appreciate two exclusive features of their Blue Shield Medicare Supplement coverage: SilverSneakers® gym membership and NurseHelp 24/7SM.

We're also pleased to announce that we're reducing rates on our Plan G for most ages and our Medicare Supplement Dental PPO 1000 plan.

Discover our new Medicare Supplement plan portfolio today.

To learn more, call **(800) 559-5905**, 8 a.m. to 6 p.m., Monday through Thursday and 9 a.m. to 5 p.m., Friday. You can also visit bsca.com/sellsupp.

Tivity Health and SilverSneakers are registered trademarks or trademarks of Tivity Health, Inc., and/or its subsidiaries and/or affiliates in the USA and/or other countries. © 2019 Tivity Health, Inc. All rights reserved.

NurseHelp 24/7 is a service mark of Blue Shield of California.



WOW

**THE WEEK
OF WEBINARS**

5 DAYS

13 WEBINARS

13 CE CREDITS

EXPERT
PRESENTERS

WIDE RANGE
OF TOPICS

WOWZERS

Week of Webinars is back starting June 17!

Word & Brown's Week of Webinars (WOW) starts **Monday, June 17**, and continues through **Friday, June 21**. Jam-packed with new CE courses, including 3 hours of ethics, earn enough CE credit for a year, all from the comfort of your computer.

We'll also be raffling off some amazing prizes! So many CE classes, so convenient! Seats are filling up fast, so make sure to RSVP today by visiting wordandbrown.com/wowzers.

Word&Brown[®]

wordandbrown.com