CALIFORNIA BROKER

VOLUME 35, NUMBER 7 SERVING CALIFORNIA'S LIFE/HEALTH PROFESSIONALS & FINANCIAL PLANNERS APRIL 2017

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Oh, Grow Up

by STEVE SILKIN

An older gentleman, explaining that he was late to our meeting because it took him longer to walk across the parking lot than it used to, told me that day: "Gettin' old ain't for sissies."

Indeed. But as we live longer, we do more and more of that gettin' old stuff. So we'd better get tougher and tougher.

Hence the need to plan for retirement and the possibility of long term care – subjects that our contributors have explored with a package of excellent articles this month.

Most of you have heard that Health Savings Accounts will be a growth avenue for the insurance profession. Especially now that they hold money long term, with tax advantages, even into retirement. You'll remember that when first introduced they were a largely unattractive use-it-or-lose it proposition. (What, I have to plan I'm gonna get sick? So I'm either gonna get sick this year or lose my money? Uh, no thanks. I think I'll stay healthy and keep my money.)

The new approach is explained nicely in two articles by Steven Nyce with Myron Prevatt of Willis Towers Watson, and Kevin Robertson of HSA Bank, pages 23 and 25. I was also impressed by the article on key points of Long Term Care Solutions by Megan Ellis of Long Term Care Solutions on page 16, as I learned the advantages of early sign-on and was reminded that it's not just for us oldsters.

And another great read of the month is Shaun T. Alger's pithy take on how to market to millennials. Some of you heard him touch on this theme during his lunch presentation at the San Diego underwriter sales expo. I got such a kick out of it that I asked him to expand it for us.

But enough about planning for our older years, let's talk about aging well, which is what we all want to do, right? I recently had the privilege of editing the book, "Flight of a Hell Hawk: The Autobiography of Edward J. Lopez, World War II Fighter Pilot." Ed grew up as a Latino scamp in Los Angeles, digging for clams on the beach, bringing home catfish from the lake in the park, diving for sightseers' coins from the Santa Monica Pier and sneaking into movies in the 1920s and '30s. In his last year of high school, Pearl Harbor was attacked. That summer, he joined the Army Air Corps (alongside Clark Gable!) and flew in two milestone aerial combat missions, earning the Distinguished Flying Cross and a Purple Heart. On assignment as his squadron's ground coordinator, he told Gen. Patton's commanders how to cross the last river that would get them in position to finish off the Germans at the Battle of the Bulge.

Ed Lopez as a young cadet; and today at 93

Today, Ed is 93. He still drives. He still flies. He still remembers the songs he sang while marching during basic training. We sang them together over the phone when I was asking him a few questions to elicit some telling details while we finished up his memoir. "I've got sixpence, jolly jolly sixpence …" I told my old friend Dennis Anderson about Ed. Dennis is a former newspaper editor and now counsels veterans "Hey, 90 is the new 80," he said.

My friend's mom, Florence Gam, just turned 90. She asked me to take her to the movies recently. When we were seated, I realized I had left my glasses in my car so I ran out to get them. When I got back, she told me that one of the older guys in the theater noticed she was alone and was chatting her up. I told this story to all my friends and we agreed: "Florence, you're 90 and you've still got it goin' on!" So is 90 the new 80 or the new 40? And will 100 be the new 90 soon? I'll be 60 this year. So … rendezvous 2057? Will you be flying or driving? And will you be bringing a hottie – or coming in hopes of meeting one?

Steve Silkin
editor@calbrokermag.com

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Repeal-Replace Reaction Roundup

In his State of the Union speech, President Donald Trump said he would quickly replace the Affordable Care Act, but was short on specifics. The Republican healthcare plan was introduced shortly afterward. Reactions did not tend toward optimism:

A proposal, apparently central to the Republican Obamacare replacement plans, to allow people to buy health insurance across state lines won't increase competition as promised. The American Academy of Actuaries says: "The ability to lower premiums by allowing cross-state sales of insurance is limited," the organization says, "because a key driver of health insurance premiums is local costs of health care." When the idea was floated last year at an industry conference, the "audience literally laughed," one health care consultant noted.

–Peter R. Orszag, Bloomberg View

Mr. Trump likes to describe his chaotic first month as "promises kept." Really? Remember how he promised during the campaign to "immediately" fix Obamacare and deliver "great health care for a fraction of the price?" He hasn't even put a plan on the table. He complained to the nation's governors that "nobody knew" replacing Obamacare "could be so complicated."

–New York Times

President Trump's remarks about his plan to overhaul the Affordable Care Act clearly responded to rising concern across the nation that newly acquired health insurance would be swept away from many. The president addressed cost and the need to end the mandate to have health insurance, but his prescriptions — giving the rights to insurers to sell coverage across state lines, and relying more on health savings accounts — did not offer any new ideas on how the government would keep rates low and access broad.

–San Francisco Chronicle

State and insurance industry officials warn that the GOP proposal, which would cut subsidies to lower-income consumers, could undermine the broader market, driving up premiums for the wide range of Californians who purchase their own coverage. Republicans and some industry analysts say those fears are overblown and that the GOP replacement plan would strengthen the individual insurance market by lowering premiums for young, healthy people and offering more latitude on covered benefits.

–Chad Terhune, CaliforniaHealthline

The Republican proposal would increase the costs for everyone in the individual market since the lower-income people that do enroll are likely to be sicker and costlier — raising the premiums paid by everyone covered.

–Peter Lee, executive director of Covered California

The worst possible thing is a market that tends to just have sick people. That is exactly where the Republican proposal is taking us. It's a recipe for disaster.

–Dave Jones, California Insurance Commissioner

If lawmakers want to make health insurance coverage affordable, they're going to have to make medical care affordable, because that's where the money is. Zero out insurer operational expense and overall premiums would go down less than 20 percent. That's a sizeable amount. However, in three or four years we're back where we are today thanks to medical inflation. And there's no way to eliminate all administrative costs. Someone has to process the claims or answer consumer's questions. And they expect to get paid.

–Alan Katz, California healthcare expert and former insurance industry executive

The GOP bill is worse than even the cynics expected. You might have expected them to do away with the whole structure of the Affordable Care Act — deregulate, de-subsidize and let the magic of the free market do its thing. This would have been devastating for the 20 million Americans who gained coverage thanks to the act, but at least it would have been ideologically consistent. But Republican leaders weren't willing to bite that bullet. What they came up with instead was a dog's breakfast that conservatives are, with some justice, calling Obamacare 2.0. But a better designation would be Obamacare 0.5, because it's a half-baked plan that accepts the logic and broad outline of the Affordable Care Act while catastrophically weakening key provisions.

–Paul Krugman, New York Times columnist

The California Broker Magazine website features regular selections of commentary articles of interest to the Health Insurance Industry in the opinion section. www.calbrokermag.com. ★

We can solve

all (but one) of these problems!

If one of your client's employees is diagnosed with a serious illness, such as cancer or heart disease, they will have lots of questions about how their life is about to change. But there is one question they should never have to ask: do I have access to the best possible medical advice?

In a world of narrowing networks they'll have to worry about finding the right in-network specialist to get a second opinion before treatment and also deal with scheduling appointments, travel, and the resulting, potentially conflicting, diagnosis.

Instead, if their employer offers MORE Benefits, one of our expert physicians will collaborate directly with their treating doctor, using our secure, HIPAA-compliant technology. Working together they'll ensure an accurate diagnosis and the optimum treatment plan.

Allow your clients to offer their employees the peace of mind from having MORE Benefits.

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American Equity	A-		A-	ICC13 MYGA (Guarantee 5) (Q/NQ)	S	2.50%*	5 yr.	None	9%, 8, 7, 6, 5, 0	Yes	$10,000 (Q) & $10,000 (NQ)	3.00%, age 18-75 & 2.10%, age 76-80** 1.50% age 81-85**
				ICC13 MYGA (Guarantee 6) (Q/NQ)	S	2.65%*	6 yr.	None	9%, 8, 7, 6, 5, 4, 0	Yes	$10,000 (Q) & $10,000 (NQ)	3.00%, age 0-75 & 2.10% age 76-80** 1.50% age 81-85**
				ICC13 MYGA (Guarantee 7) (Q/NQ)	S	2.80*%	7 yr.	None	9%, 8, 7, 6, 5, 4, 3, 0	Yes	$10,000 (Q) & $10,000 (NQ)	3.00%, age 0-75 & 2.10%, age 76-80** 1.50% age 81-85**
*Effective 3/10/17. Current interest rates are subject to change on new issues. **Commission may vary by issue age and state. See Commission Schedule for details												
American General Life Insurance Companies	A	A+	A+	American Pathway Solutions MYG (*Guarantee Return of Premium) (Q/NQ)	S	2.40%*a 1.60%*b	5 yr.	None	8%, 8, 8, 7, 6, 5, 4, 3, 2, 1, 0	Yes	$10,000 (Q &NQ)	1.5% age 0-75 .75% age 76-85
*CA Rates Effective 2/8/17. First year rate includes 1.50% interest bonus. a (less than $100K) ; b (100K or more)												
American General Life Insurance Companies	A	A+	A+	American Pathway Fixed 5 Annuity (*Guarantee Return of Premium) (Q/NQ)	S	1.60%*a 1.80%*b	5 yr.	None	9%, 8%, 7%, 6%, 5%, 0%	No	$5,000 (NQ) $2,000 (Q)	2.00% age 0-85 1.00% age 86-90
*CA Rates Effective 2/8/17 Includes 2.00% 1st year bonus, 1.00% base rate subsequent years. a (less than $100K) b (100K or more)												
American General Life Insurance Companies	A	A+	A+	American Pathway Fixed 7 Annuity	S	1.65%*a 1.85%*b	7 yrs.	None	9%, 8%, 7%, 6%, 5%, 4%, 2%, 0%	No	$5,000 (NQ)	3.00% age 0-85 1.50% age 86-90
*(Guarantee return of premium Q/NQ) *CA Rates Effective 2/8/17. First year rate includes 4.0% bonus 1st year. a (less than $100K) b (100K or more)												
Great American Life	A	A+	A+	SecureGain 5 (Q/NQ)	S	2.50%	5 yrs.	N/A	9%, 8, 7, 6, 5	Yes	$10,000	2.50% 18-80 (Q), 0-80 (NQ) 1.50% 81-89 (Q&NQ)
Effective 1/27/17.. Includes .25% first-year bonus and is for purchase payments over $100,000. Escalating five-year yield is 2.50%. For under $100,000 first-year rate is 2.35%. Escalating rate five-year yield 2.35%.												
Great American Life	A	A+	A+	SecureGain 7 (Q/NQ)	S	2.80%	7 yrs.	N/A	9%, 8, 7, 6, 5, 4, 3	Yes	$10,000	3.50% 18-80 (Q), 0-80 (NQ) 1.50% 81-85 (Q&NQ)
Effective 1/27/17. Includes 1.00% first-year bonus and is for purchase payments over $100,000. Escalating seven-year yield is 2.69%. For under $100,000 first-year rate is 2.70%. Escalating rate seven-year yield 2.59%.												
Great American Life	A	A+	A+	Secure American (Q/NQ)	S	1.65%*	1 yr.	N/A	9%, 8, 7, 6, 5, 4, 3	No	$10,000	5.75% 0-70 4.65% 71-80 4.40% 81-89
*Effective 1/27/17. Eff. yield is 2.67% based on 1.65% first year rate, 1.00% available portion of 10% annuitization bonus (available starting in contract year two) and 0.02% interest on available portion of bonus at the rate of 1.65%. Surrender value interest rate 1.65%. Accepts additional purchase payments in first three contract years. COM12255												
The Lincoln Insurance Company	A+	AA	AA	MYGuarantee Plus 5	S	1.90%*a 2.05%*b	5 yr.	None	7%, 7, 6, 5, 4, 0	Yes	$10,000 (Q/NQ)	
*Rates Effective 2/1/17 (a–for premiums less than $100K, b–for premiums $100K or more), and are subject to change												
The Lincoln Insurance Company	A+	AA	AA	MYGuarantee Plus 6	S	2.10%*a 2.25%*b	6 yr.	None	7%, 7, 6, 5, 4, 0	Yes	$10,000 (Q/NQ)	
*Rates Effective 2/1/17 (a–for premiums less than $100K, b–for premiums $100K or more), and are subject to change												
The Lincoln Insurance Company	A+	AA	AA	MYGuarantee Plus 7	S	2.20%*a 2.35%*b	7 yr.	None	7%, 7, 6, 5, 4, 3, 2, 0	Yes	$10,000 (Q/NQ)	
*Rates Effective 2/1/17 (a–for premiums less than $100K, b–for premiums $100K or more), and are subject to change												
The Lincoln Insurance Company	A+	AA	AA	MYGuarantee Plus 8	S	2.30%*a 2.45%*b	8 yr.	None	7%, 7, 6, 5, 4, 0	Yes	$10,000 (Q/NQ)	
*Rates Effective 12/1/17 (a–for premiums less than $100K, b–for premiums $100K or more), and are subject to change												
North American Co. for Life and Health	A+	AA-	A+	Gaurantee Choice (Q/NQ)	S	2.45%*a 2.70*b	5 yr.	None	10, 10, 9, 9, 8	Yes	$2,000 (Q) $10,000 (NQ)	2.00% (0-80) 1.50% (81-85) 1.00% (86-90)
*CA rates effective 1/5/17 – a (less than $200K) b(200K or more)												
Reliance Standard	A+		A	Eleos-MVA	S	3.55%*	1 yr.	None	8%, 7, 6, 5, 4	Yes	$10,000	3.25%**
*Effective 12/2/16. Includes 1.50% 1st yr. bonus. Min. guarantee is 1.00%. **Reduced 20% ages 76-80, and 40% ages 81-85												
Reliance Standard	A+		A	Apollo MVA (Q/NQ)	S	4.45%*	1 yr.	None	9%, 8, 7, 6, 5, 4, 2	Yes	$5,000	4.00% to age 75**
Includes 2.00% 1st yr. bonus. Min. guarantee 1.00% **Reduced 20%, ages 76-80, and 40% ages 81-85. Effective 12/2/16												
Symetra Life, Inc.	A	A	A	Custom 7 (Q/NQ)	S	3.05%*	7 yrs.	N/A	8%, 8, 7, 7, 6, 5, 4, 0	No	$10,000	Varies
*Effective 3/22/17. 2.55% base rate with no guaranteed return of purchase payments. Plus 0.50% bonus for $250,000 and above.												

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Seniors

Surviving Aging

***Be Smart:** Use senior discounts, hold off on that car purchase, refinance, get all your documents together – and consider flipping life insurance to long-term care coverage. And if you eat your fruits and veggies, you might not need long-term care!*

by CHRIS ORESTIS

We know that Americans are living longer. But look back and consider the dramatic increase: up from an average 47 years in 1900 to more than 78 years today. We are also experiencing a deluge of adults reaching retirement age now that includes 10,000 Baby Boomers turning 65 every day.

By 2030, when the last of the baby boomers has turned 65, nearly one in five Americans will be retirement age, according to the Pew Research Center's population projections. Money will be a big problem for many of them, especially if boomers develop health problems that affect their ability to live independently.

One solution is a life insurance policy that converts to a long-term care plan. This gives the policy owner the option to use their policy while still alive to help pay for their choice of any form of senior care services.

With 30 percent of the Medicaid population consuming 87 percent of Medicaid dollars on long-term care services, we can see that's not going to be sustainable. More individuals will be forced to find their own resources to pay for those needs. That's why states such as California, Florida, New York and Texas are embracing legislation requiring seniors to be notified that they can convert their life insurance policy for 30 to 60 percent of its death benefit value. The money can be put into an irrevocable fund designated specifically for any form of care they choose.

Conversion Concept

The practice of converting a life insurance policy into a Life Care Benefit has been an accepted method of payment for private duty in-home care, assisted living, skilled nursing, memory care and hospice care for years. Instead of abandoning a policy when they can no longer afford the premiums, policy owners have the option to take the present-day value of the policy while they are still alive and convert it into a Long Term Care Benefit Plan. By converting the policy, a senior will remain in private pay longer and be able to choose the form of care that they want, but will be Medicaid-eligible when the benefit is spent down.

Also, people, spend wisely. It makes sense to finally enjoy your money after a lifetime of savings, but be smart about it. Take time to organize your paperwork and create a master file that holds things such as insurance policies, investments, property, wills and trusts, so you have your financial picture in one place.

Don't Be Shy: Get the Senior Discounts!

Oh and don't forget: Those senior discounts can really add up! Restaurants, supermarkets, department stores, travel deals and other merchants give various senior discounts with minimum age requirements ranging from 55 to 62. Don't forget your free cup of coffee at Dunkin' Donuts if you're 55 or older, and don't be shy – at many of these places you'll have to ask for the discount. Banana Republic and Applebee's are well-known examples.

Also, live smart today and hold off on that new car if you don't need a new one. If your current car is paid off and you sit tight for an additional two years, you'll save $7,200 on a new car with $300 monthly payments. Refinancing your home may also be a very good idea, since rates are still hovering around their all-time lows. Get at least three quotes, compare rates, terms and potential penalties to make sure you're getting the best deal.

Also, live healthy and buy more fruits and vegetables and less junk food to lessen the chance you'll need long-term care in the future! ★

Chris Orestis is a senior health-care advocate and chief executive of Life Care Funding, an insurance company in Portland, Maine, which created the model for converting life insurance policies into protected Long-Term Care Benefit funds.

Strengthening the Safety Net

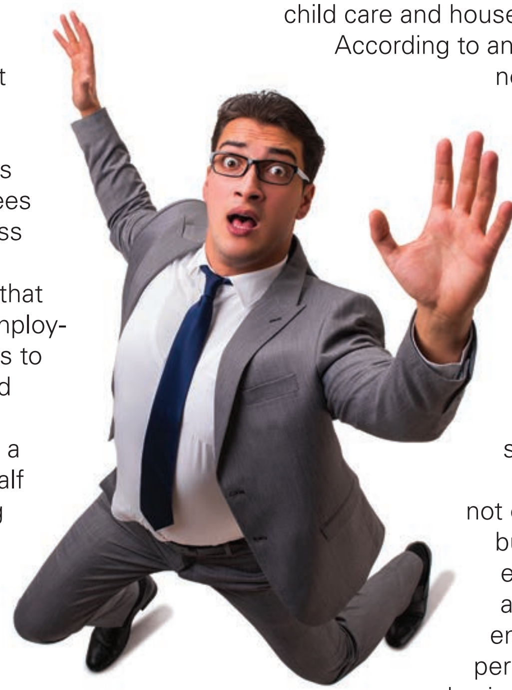
How Critical Illness Insurance Can Help

Plans provide lump-sum cash benefits that employees can use as needed. The plans haven't been widely adopted because they aren't widely known.

by ALAN HIRSCHBERG

With the continual rise in healthcare costs, employers are faced with the dilemma of providing the benefits their employees want, without breaking the bank. For many employers, this has meant taking advantage of high deductible health plans, which now account for 20 percent of covered employees in the U.S. However, these plans often leave employees with larger deductibles, co-pays, and other out-of-pocket expenses. With a large number of working Americans living paycheck to paycheck, without a significant savings account to fall back on, many employees are vulnerable to serious financial stress for any health crisis.

To help address the economic risk that employees and their families face, employers are looking for cost-effective ways to meet employee demand for increased benefit options and to address their financial concerns. Employees agree: a MetLife survey revealed that about half of employees are interested in having their employer provide a wider array of non-medical benefits that they can choose to purchase and pay for on their own.



One powerful solution for both employees and employers is critical illness insurance. That insurance can ease the financial burden of a critical illness by providing a lump-sum cash benefit that the insured can use as they see fit. However, critical illness insurance has not been widely adopted to date, most likely due to lack of awareness about the product. Only about 47 percent of employees agree that non-medical benefits, such as critical illness insurance, can help them limit their out-of-pocket medical expenses.

'...insurance can ease the financial burden of a critical illness by providing a lump-sum cash benefit that the insured can use as they see fit. However, critical illness insurance has not been widely adopted to date, most likely due to lack of awareness about the product.'

Employee Financial Impact

The potential financial stress of a serious illness, on top of the emotional stress, can be considerable. Critical illness insurance provides employees and their families with a financial protection plan that can help them focus on what matters most: their recovery.

According to another MetLife study, 55 percent of full-time employees said they were somewhat or extremely concerned about the financial impact of a critical illness on their families, with only 27 percent feeling confident they could pay for a medical emergency. And with about 48 percent of employees living paycheck to paycheck and only 51 percent having a savings cushion of about three months of their salary, that 27 percent number may be overly optimistic.

Even for people with medical and disability insurance, the cost associated with a critical illness, such as cancer, a heart attack or stroke, can still be extreme, as the family will be required to keep up with the increased medical and non-medical out-of-pocket expenses that come with an illness. There are also related costs associated with travel, child care and housekeeping.

According to another MetLife study, the medical and non-medical out-of-pocket expenses associated with a critical illness can be as high $14,444. In addition to dealing with increased expenses, individuals impacted by a critical illness also face lost income – that averaged $50,600, according to the study.

Only about 18 percent of employers offer critical illness insurance. As a result, many employees are exposed to serious financial stress and loss should a critical illness occur.

Offering critical illness insurance will not only help employees and their families, but there's payoff for employers too: employers that include the insurance as a voluntary offering can improve employee retention. In fact, about 70 percent of employees surveyed said that having benefits customized to meet their needs would increase their loyalty to their employer.

Lack of Understanding

One of the biggest challenges to promoting critical illness insurance is that the product isn't well understood by employees; about 31 percent said they had an understanding of the insurance.

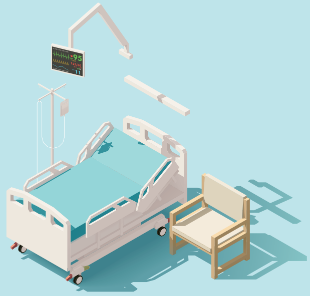
Such a lack of understanding about what the product offers may keep employees away. However, employers can address this by providing clear communications and continuing to educate their employees about how benefits can make a difference in their lives. Effective communication is a strong driver of an employee's confidence in their benefit selections.

Avoiding the question of "what if" by taking the time to educate employees on voluntary benefits will go a long way in establishing a benefit offering that helps employees avoid undue financial stress. Critical illness insurance is a highly effective tool that can help protect employees should they be impacted by a serious illness. Additionally, benefits such as this can help employers to build stronger relationships with their employees and engender loyalty. ★

Alan Hirschberg is vice president of supplemental health product development at MetLife, an insurance company with headquarters in New York.

Employee Education Makes the Difference

Not all benefits are created equal: LTCi is a product that requires extra communication and education. Underwriting concessions, closed plans and rate increases are all issues in the mix.



by MEGAN ELLIS

Most readers of California Broker Magazine and their clients have benefits enrollment down pat. They know what to communicate to employees and when. Employees, too, are usually familiar with the process. They know what to expect when they start comparing their medical plan options to their 401(k) contributions, for example.

But not all benefits are created equal. Some require more communication, understanding and detail. Long-term care insurance is one of those products. More than any other benefit, it calls for well-thought-out employee education. LTCi education is critical to employees for the following three reasons:

1: Underwriting concessions are available for a limited time only and an employee's health determines approval. Employers are able to offer LTCi with reduced underwriting, but the employees can only take advantage of this offer during initial enrollment. It will not be available at any other time – including during future open-enrollment periods – so it's essential that employees understand the advantages of this benefit at a time when they will receive their best opportunity for approval.

2: LTCi isn't just another voluntary benefit, it's an important component of any employee's retirement plan. Long-term care can be a huge financial burden for many Americans. Those who buy LTCi are doing so to protect their savings and assets down the road. As a result, LTCi becomes a critical aspect of an overall retirement plan. Employees will want guidance on which coverage options best suit their financial needs.

3: LTCi is often a one-time purchase and employees may face closed plans and rate increases. Unlike other benefits where providers may change from year-to-year, the majority of LTCi purchasers will hold on to their original plan for life. As the market evolves and carriers develop new products, an employer may be administering multiple LTCi programs to employees. Employees will be curious how their plan stacks up – especially if they have a plan with MetLife, John Hancock, Prudential or CAN, since those carriers no longer offer new LTCi plans. Employees may also be impacted by rate increases with these carriers and will need education-based support on what decisions to make regarding their increased premium. Helping employees compare programs will allow them to make an informed decision about their plan.

Need to Know

Employees need focused time, separate from other benefits education, to learn about LTCi. It is important to communicate with them, both in writing and through in-person or web meetings, so that they can learn:

1: What long-term care is, how likely it is they will need it, how it's delivered and the costs associated with it.

2: What LTCi covers and how it differs from other benefits.

3: The risks associated with not having LTCi.

4: Myths about long-term care coverage (for example, that it's only needed by the elderly or that it only covers nursing-home care).

5: An overview of options and an understanding of all possible solutions for long-term care.

6: Tax incentives available for LTCi

7: The right time to buy LTCi and the risks associated with waiting.

8: Decision-making tools to help select the best coverage levels for their needs

We've had a great reception from benefit brokers and clients who are interested in LTCi for their employees. One of the primary themes we continue to hear is that LTCi is on the to-do list for many brokers and employers. When employees have all of this information laid out in an accessible, easy-to-understand way, they will be able to make informed decisions about this valuable benefit. ★

Megan Ellis is vice president of sales at LTC Solutions Inc. in Redmond, Wash. Email: mellis@ltc-solutions.com. Phone: 425-658-7517.

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Five Ways to Provide Added Value to Plan Sponsors

How to stand out amid the increasing competition for advisers seeking to provide 401(k) services.

by EDWARD DRESSEL

How can advisers and firms differentiate themselves from the competition? Think about it: In the past 20 years, the number of 401(k) plans has increased dramatically – and so has the number of advisers seeking to provide services to plan sponsors. With so many advisers offering services, plan sponsors have the luxury of being more discerning as they select their plan adviser.

Here are five ways advisers and firms can provide additional value to plan sponsors and stand out from the competition.

1 Make it easy for the plan sponsor to understand the adviser's compensation and plan fees. As the media and regulators increasingly scrutinize adviser compensation and the fees associated with retirement plans, advisers would do well to make their compensation and fee structures as transparent and easy to understand as possible. As more lawsuits are filed against employers, especially regarding excessive fees, plan sponsors will be leery of hidden fees, additional fees and conflicts of interest. Don't make them guess. Be proactive and provide the transparency that will put them at ease when communicating with employees.

2 Provide the plan metrics that plan sponsors really want and need. Many plan sponsors genuinely want to see their employees succeed in saving for retirement. They want to know that their plan is helping employees to save. Advisers should be able to provide valuable plan metrics such as participation and deferral rates, average balances and projected retirement readiness. Advisers who report historical and current metrics can demonstrate to plan sponsors how the metrics have improved over time and how employees benefit from the adviser's services.

3 Provide meaningful participant education. Many advisers – and participants – dread participant enrollment meetings. If an adviser routinely speaks to participant groups that spend more time looking at Facebook on their smartphone than listening to the presentation, it may be time to change the information being presented. Many advisers talk about asset allocation, plan fees, and contribution percentages – but these are not the topics of greatest interest for participants. Jonathon Schultheiss approaches group meetings by asking, "What's the most important thing about your retirement plan?" After listening to the people answer, he says, "Well, how about 'Can I retire?'" In this way, he is able to tell people, "When you leave this meeting, you'll know whether you can retire."

'Advisers who are perceived as industry and compliance experts who provide guidance and education are able to differentiate themselves by providing great added value to plan sponsors.'

Meaningful participant education answers the questions that participants care about, such as: Will I be able to retire? How will adequately contributing to the plan affect my take-home pay? An advisor who can answer these questions will have a room full of engaged participants. So how can an adviser answer these questions? Keep reading:

4 Provide personalized information directly to participants. Participants want to know whether they are on track to retire and how additional contributions will affect their take-home pay. An adviser cannot answer these questions by providing generic information. Nor can advisers expect the passive approach to work – asking participants to log into the plan web portal after the meeting. Generic information will not answer participants' most pressing questions, and most participants do not log into the plan portal to see their own information.

An adviser can bring added value to participants by providing personalized information directly to each participant. This information should illustrate retirement projections for the participant's current contributions as well as how increases in contributions would affect after-tax income and future retirement savings. Participants who understand how increased contributions will affect their take-home pay will be more comfortable when making decisions to increase their contribution.

5 Provide industry, fiduciary, and compliance expertise to the plan sponsor. Plan sponsors have enough on their plate without having to educate themselves about fiduciary responsibility in a changing industry and regulatory landscape. Nevertheless, plan sponsors are increasingly held accountable by plan participants for these responsibilities. Employees are bringing lawsuits against their employers.

Plan sponsors need help to understand their responsibilities, ensure compliance, and communicate wisely and openly with plan participants. Advisers who are perceived as industry and compliance experts who provide guidance and education are able to differentiate themselves by providing great added value to plan sponsors.

Providing value-added services to plan sponsors can help advisers differentiate themselves from the competition. Even more importantly, it can also provide long-term benefits to plan participants. ★

Edward Dressel is president of Trust Builders, a maker of retirement planning software in Dallas, Ore., and on the Internet at www.asktrak.com.

What Do Seniors Value the Most?

They're looking for low cost and networks that include their doctors. But what if they can't find that? Options exist.

by ROXANNE ANDERSON

It doesn't matter if you're selling kitchenware, travel packages, or health insurance. If you don't know what your market values the most in the products, you're missing out on sales.

Right now, nearly a third of the Medicare-eligible population has a Medicare Advantage plan. By 2026, Medicare Advantage enrollees could make up 41 percent of that same group, according to projections from the Congressional Budget Office.

In the coming years, a big chunk of Medicare Advantage business will be up for grabs. Understanding what seniors value the most in these private plans will be the key to securing your share of it.

When shopping for a Medicare Advantage plan, seniors

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often look for a low-cost plan that includes their preferred health care providers. But what if they can't find such a plan? How do they compromise?

In 2014, The Henry J. Kaiser Family Foundation held small focus groups of seniors in four cities to better understand how seniors choose and change their Medicare Advantage plans. They found that some seniors would enroll in a cheaper plan, even if it meant they couldn't see their usual doctors, while others would rather have a plan allowing them access to certain hospitals or treatment facilities.

Seniors' feelings about the matter appeared to vary based on their relationships with their doctors. People who have been going to the same providers for years most likely feel assured their providers will respect their privacy and successfully put them back on the road to recovery if needed. However, some seniors will readily pay more for a plan just so they can see their preferred providers and have the peace of mind that comes with knowing their life is in good hands.

Star Ratings

Another aspect to consider is the Star Rating system, which was implemented in 2008 to help beneficiaries assess the quality of Medicare plans and make plan selection easier. However, it seems that Star Ratings may not influence seniors' decisions as much as one would think.

Kaiser's focus groups found that participating seniors didn't understand the system and that Star Ratings didn't majorly impact their decision to purchase a plan. Instead, those studied seemed to care more about the plan having a "recognizable name."

Surprised? Consider this: According to a 2013 study, 60 percent of shoppers around the world with Internet access favor purchasing new products from a familiar brand instead of a new brand.

Just as they trust their providers, people trust brand names. They also tend to give more weight to their own experiences more than others' experiences, especially others whom they don't know. So, if seniors had a good experience with a certain carrier before turning 65, there's a good chance they'll be interested in sticking with that insurer after they've turned 65, even if the government doesn't rate its Medicare plan five out of five stars.

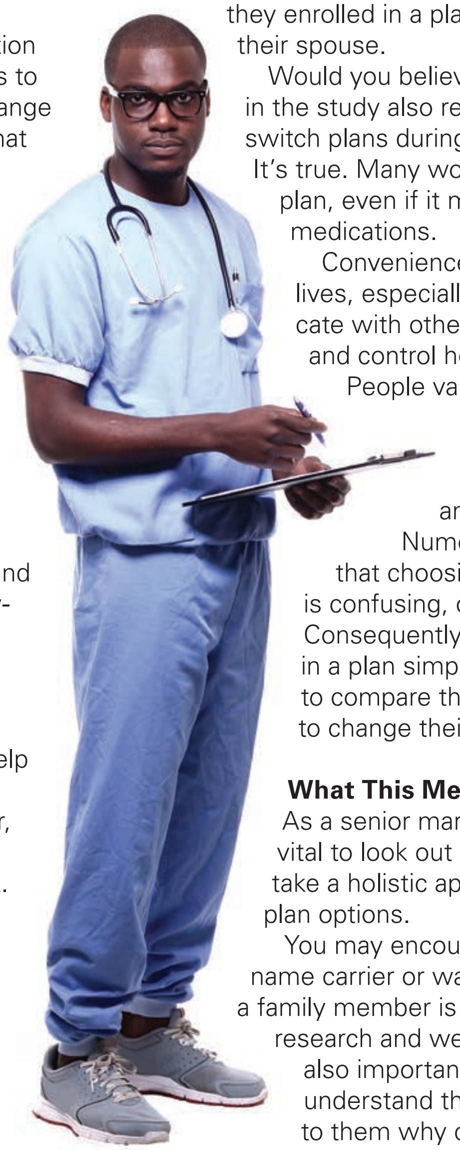
Convenience vs. Practicality

You likely recommend Medicare Advantage plans that meet your clients' budget, medical needs, and preferences. Your clients, on the other hand, may believe certain plans are the best for them based on other reasons. For instance, some seniors in Kaiser's focus groups stated they enrolled in a plan to have the same coverage as their spouse.

Would you believe that several seniors involved in the study also reported that they don't review or switch plans during the annual enrollment period? It's true. Many would rather get by in their current plan, even if it means switching prescription medications.

Convenience plays a large role in American lives, especially today where one can communicate with others instantaneously, take pictures, and control home appliances with a cell phone. People value their time. If there's an easier way to do something, they'll frequently take it. The same runs true for selecting health insurance plans.

Numerous Medicare patients find that choosing and changing health plans is confusing, overwhelming and frustrating. Consequently, some seniors will enroll or stay in a plan simply because it's easier than trying to compare their options and figuring out how to change their coverage.



'...some seniors would enroll in a cheaper plan, even if it meant they couldn't see their usual doctors, while others would rather have a plan allowing them access to certain hospitals or treatment facilities.'

What This Means for You

As a senior market health insurance agent, it's vital to look out for your clients' best interests and take a holistic approach in narrowing down their plan options.

You may encounter clients focused on a brand name carrier or wanting to enroll in a plan because a family member is in it, but you should do your research and weigh all the factors for them. It's also important you make sure your clients understand the Star Rating system and explain to them why certain plans might work better for them than others.

Everybody has different preferences and needs. Some clients you meet will want their usual providers, a free gym membership, and dental, vision and hearing benefits; others will only want a $0-premium plan without extras. By asking your prospects what matters most to them when it comes to their health plan up front, you can streamline sales. And by making yearly follow-up calls to your clients, you can ensure they're in the best plan if their needs or preferences have changed.

Trust is a powerful driving force in the decision-making process. If you find ways of cultivating prospects and clients' faith in your business, there's no limit to how much it will grow. ★

Roxanne Anderson is at Ritter Insurance Marketing, a field marketing organization in Harrisburg, Pa.

Helping Employees Connect Financial and Physical Well Being

They're not just for medical spending anymore. HSAs can be an important component in retirement planning.

by STEVEN NYCE and MYRON PREVATT

Most employers understand that productive, highly engaged employees are their greatest asset. That's why a growing number are making the commitment to develop a workplace culture of health that explicitly recognizes the connection between well-being and job performance. As part of this effort, employers are expanding their view of well-being to include financial health in addition to physical and mental health. As they do so, a tool that can be beneficial in getting employees to make similar connections are Health Savings Accounts. And as a trusted adviser to your employer-clients, you can help.

HSAs are tax-advantaged accounts that employees and employers can contribute to annually up to certain limits. The money invested in these accounts can be used by employees to pay allowable health care expenses. That's a great benefit, but they have another advantage. Funds that are not used in any given year stay invested in the account and continue to grow tax free. Because of this ability to carry over funds, employees can use their HSA as a long-term retirement savings vehicle either instead of or in addition to a medical spending account in the short term.

Unfortunately, according to a recent survey, nine out of 10 employees view their HSA as a medical spending account only. For this to change, employers need to educate employees about the long-term financial benefits of using their HSA as a retirement savings vehicle.

Financial and Physical Health

According to a survey of 5,000 U.S. employees, about 48 percent report they are satisfied with their financial situation. The survey also found that one in five employees feels that their financial problems have a negative impact on their lives today; many also worry about the future state of their finances.

These current and future financial concerns have real consequences today for the physical health, happiness and productivity of employees. Employees worried about financial issues tend to be more stressed, less engaged at work and less healthy than employees without financial concerns. This has repercussions for the company's bottom line because stressed, distracted employees are less efficient.

In response to employees' concern about their financial situation, many employers are taking steps to improve the financial health of their workforce. Strategies include bringing financial experts on site to advise employees, offering technology tools to manage finances and providing seminars in financial management.

According to a 2016 survey of U.S. employers, 54 percent brought third-party financial vendors on site to advise employees, a number that could rise to 78 percent by 2018. In addition, just under half of employers reported offering technology tools for financial management with as many as 74 percent planning to do so by 2018.

Employers offer comprehensive programs aimed at improving employees' financial health at a rate of 32 percent; however, that number is expected to nearly double to 62 percent by 2018.

Advising employees about their current financial health is important, but so is helping them plan for retirement. Currently, 50 percent of employees lack confidence that they will have saved enough throughout their retirement years.

That's where HSAs as a long-term savings vehicle come in.

Not Just for Medical

While 401(k) plans are widely considered the primary vehicle for long-term retirement savings, for some employees, HSAs are also an attractive option. That's because they offer a potential triple tax benefit: contributions are made with pre-tax dollars; assets grow tax-free; and if funds are used to pay allowable health expenses, distributions are tax-free.

Also, they are portable: If an employee changes jobs and no longer has access to an HSA-eligible health plan, he or she can still use funds in an existing HSA to pay health expenses. Given that medical expenses are one of the largest budget items for most retirees, maxing out both HSA and 401(k) options is a winning strategy for employees who don't need all of their HSA funds to pay current medical expenses.

A potential downside of HSAs is that they are often associated with high-deductible health plans, which tend to have lower premiums but result in higher out-of-pocket costs for employees.

Bottom line, before opting to use their HSA as a long-term retirement savings vehicle, employees should carefully weigh their short-term versus long-term health and financial needs. They should also understand exactly how HSAs work before making them a major component of retirement planning.

For your employer-clients interested in helping employees understand the hidden power of HSAs, here are three principles you can use to help them understand and implement their plans:

Focus on education: Employees are increasingly being asked by their employers to make decisions about their health care. With this freedom and control, however, comes uncertainty. To have confidence in their decisions about HSAs, employees need to understand the fundamentals of how they work.

Prepare for long-term engagement: Realizing the long-term benefits of using an HSA as a retirement savings vehicle might involve sacrificing short-term use of the account for medical expenses. Employers must make sure that employees understand this and remind them of the long-term benefits throughout their careers with the employer. This is especially important for younger employees who may not have large medical expenses now, but should be encouraged to make annual contributions to build up their accounts for the future.

Available for Health Use at Any Time

Be transparent: Because some employees will be foregoing the use of their HSA as a medical spending account in favor of the long-term savings benefits, employers should make information and tools available to employees that help them accurately predict their out-of-pocket medical expenses each year so the tradeoffs are clear. They should also be aware that should they need the funds in their HSAs for health expenses at any time, they are free to use them although they will reduce the funds available to them during retirement.

As a trusted adviser, you can play an important role in helping employers help their employees reduce their anxiety around personal financial issues by considering using their HSAs as long-term savings vehicles. This can result in greater peace of mind for employees, a healthier and more productive workforce for employers, and a stronger relationship between you and your employer-clients. ★

Steven Nyce is director of the research and innovation center at Willis Towers Watson, a London advisory company with U.S. headquarters in Arlington, Va. Myron Pavettt is vice president of product development at Acclaris, a Willis division in Tampa, Fla., specializing in Health Savings Accounts technology.

A Fast-Growing Element on the Landscape

As 'Repeal and Replace' advances, Health Savings Accounts are going to expand and improve, leading to greater significance and impact on the insurance marketplace.

by KEVIN ROBERTSON

The impacts of the congressional and the presidential elections will be significant and wide reaching. One of the most significant will be related to healthcare, and at least initially, will be focused on the Affordable Care Act. The ACA was a polarizing piece of legislation from even before it was passed, and even more so as its implementation has continued for the past seven years. For several years, the GOP position has been firmly entrenched in "repeal and replace" and this position has been bolstered by their November victory. To what level of "repeal and replace" the Republican administration will be able to achieve in the next few years remains to be seen, but one of the most prominent components of the GOP healthcare agenda has been Health Savings Accounts.

Even before the election, HSAs played an important and prominent role in both the U.S. healthcare landscape and congressional legislative efforts. Driven by their popularity with both employers and employees as a cost reduction device and healthcare spending tool, HSAs have emerged as one of the fastest growing elements in health plan design today. Many bills improving HSA regulation and expansion ideas have previously been introduced, and these proposals have accelerated dramatically in the days since the election. While the exact impact and timing of these efforts is unknown, one thing is certain – legislation favorable to HSAs is on the horizon.

Different paths

The legislative efforts on HSAs will likely focus on any of the areas outlined below.

Continued improvements to existing HSA structure: A previous step was Hatch/Paulsen legislation (the 'Health Savings Act' of 2016). This legislation has directly resulted in many of the favorable changes regarding health spending accounts in the last few years. New efforts seek smaller changes and procedural or regulatory tweaks. These are generally low-cost, low-effort changes, and may actually occur in 2017 as a result of the budget reconciliation process.

Expansion: That could include a number of approaches. One would be the creation of a Medicare HSA option, and a Medicaid "HSA-like" product, similar to Vice President Mike Pence's Healthy Indiana program. There could also be elevated funding limits, probably to the out-of-pocket maximum limits or beyond. And expanded definition of high-deductible health plans, broadening the availability to more Americans.

HSAs will be a component of ACA "Repeal and Replace" efforts: The most likely impact will probably be in the restructuring or elimination of the Cadillac Tax, but these efforts could lead to full decoupling of HSA from the underlying high-deductible plans. Some proposals have even advocated rolling out HSAs to all Americans.

Bigger Efforts, Bigger Impacts

As you move down this list from top to bottom, the political effort, and financial impact increases. This means that the introduction, debate and ultimate passage of any legislation takes longer and is much more complicated. For instance, many smaller provisions may actually be passed via the Senate Budget Reconciliation process where the GOP will fundamentally only need 51 votes to pass. However, due to the limitations of what types of legislation can be passed with that process, more significant bills will require a 60-vote measure in the Senate. In order to get these more significant changes passed, this means that the Republicans will have to find eight Democratic senators to side with them. Not an easy task given the contentious and politically charged environment where we currently find ourselves.

Due to the many unknown factors and political implications noted above, the logical conclusion is that we'll undoubtedly see some significant changes and improvements that support the HSA marketplace. Just as the Hatch Bill desires, the likely outcomes will be corrections and fixes to the current HSA statutes, simplification of how individuals are able to save with an HSA, and expanding the availability of HSAs to more Americans. The larger, more costly expansion ideas will likely take quite a political effort to achieve, but there are still many favorable changes that will be forthcoming in the near future. These smaller changes will likely come in the reconciliation process later this year. The larger-change ideas may take years to be settled. ★

'...we'll undoubtedly see some significant changes and improvements that support the HSA marketplace. Just as the Hatch Bill desires, the likely outcomes will be corrections and fixes to the current HSA statutes...'

Kevin Robertson is senior vice president and director of sales at HSA Bank in Sheboygan, Wis. He also serves as a board member on the American Bankers Association's HSA Council.

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10:00 - 11:30:	**Welcome to the Wild Wild West Opening Ceremony** **Washington DC Repeal & Replace Round Up** (1 hr. CE) Janet Trautwein, NAHU CEO
11:30 - 1:00:	**Vittles (lunch y'all) with our Exhibitors**
1:00 - 3:00:	**Two 1 hr. CE Tracks for Small, Large, IFP and Medicare Agents**
3:00 - 3:30:	**Exhibitor Snack Break**
3:30 - 5:30:	**Get ready for an afternoon of speakers and topics you need to hear, including** **Doug McKeever of Covered CA** – Covered CA Updates **John Nelson of Warner Pacific** – Single Payer Bill **Michael Lujan of Limelight Health hosts the Pow Wow** – Different Perspectives on The New Health Care Landscape (a brilliant & diverse lineup of speakers will have a candid conversation you won't want to miss) **Closing Remarks & Prize Distribution**
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The Time to Update Your Strategy Is Now

Learn How to Rethink Customer-Centricity and How to Use the Internet to Push, Pull and Coach

by JOE NAVARRO

2017 is poised for disruption impacting consumers shopping for health insurance…translating into major opportunities for you.

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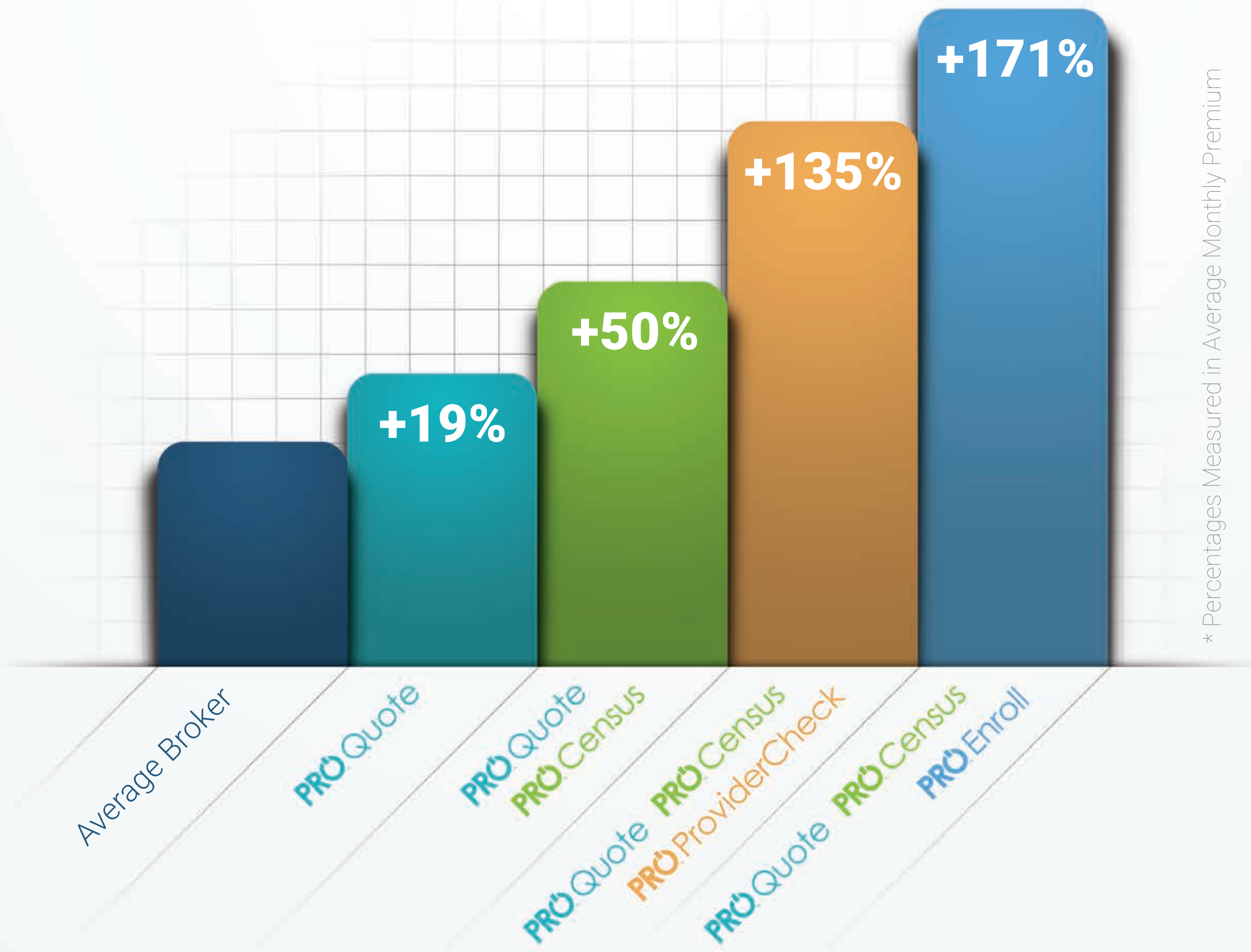

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Help the Client Succeed

Customer-centric agencies understand that, in order to be successful in today's market, their clients need to succeed. And there is a lot of emphasis placed on the "customer experience." But customer success isn't based on just having a good experience, although that is a very important piece. Success is more about clients achieving their goals.

When consulting with agents one question that I always ask of them is, "What is your secret sauce?" What is it you do that differentiates you from your competition?

The popular response is about service. "We offer good service," or "Our service is second to none." The challenge today is that good customer service is not good enough. Customer satisfaction by itself is not enough. Customer success in your business requires an integrated marketing and communication approach that everyone in your business buys into and delivers on and which results in the cultivation of a stronger connection between your clients and your agency.

Your clients are smarter, more empowered and digitally savvy. Your process for rethinking service should include talking with selected clients, carrier/GA consultants and staff all with the goal of making the client experience more successful.

Customer success is the new customer service. It requires that you rethink your focus, continue to improve on what you do for your clients, keeping up with the trends such as improved technology and offering that "Instant On" in all of the places that your clients are searching for answers.

Online Knowledge

Speaking of which: They're searching for answers online.

Humans are visual creatures. Most of us process information based on what we see. Sixty-five percent of us are visual learners, according to the Social Science Research Network.

When talking about your website, I am not going to go into buzz words like call-to-action buttons, image caption design, breadcrumbs design and holy search box. I will leave all of that up to your web designers.

What I will address and hopefully answer are the simple questions:

What is it I want my visitors to "see" and process when they come to my site? And how often do you update the content on your site to encourage your visitors to keep coming back?

Forty-six percent of those asked say a website's design is the number one criterion for discerning the credibility of the company, according to the Stanford Persuasive Technology Lab. Ninety percent of information transmitted to the brain is visual, and visuals are processed 60,000 times faster in the brain than text, according to studies.

Do you have a video on your home page, and if so what type of video have you recorded? Statistics also support your having a strong video presence on your website. Using the right video can be a vital tactic and differentiator for engaging your audiences in the most effective and memorable way.

But the main concept to keep in mind for internet marketing is: Push, pull and coach.

Company Charisma

When developing any of your messaging to promote your agency you want to push your information out to your intended audience with the intent to pull them back to your website and then, depending upon their particular needs, coach them toward finding an answer to the reason they visited you in the first place.

Do that and you are on your way to clearly defining your company's charisma. That "secret sauce" that only you offer and attracts you to more customers.

Your company's charisma is a clear marketing differentiator today. Charisma inspires enthusiasm, interest, respect and loyalty. In today's environment it's just what an agency like yours needs to take your customers beyond service, beyond relationship or an experience. It is about customer success.

Be brilliant. ★

Joe Navarro is marketing director at Warner Pacific, a General Agency in Westlake Village.

Understanding Millennials

They will soon be the biggest force on the consumer market. They're going to make significant financial decisions, not just for themselves, but for their parents. And if you don't understand their core values, they'll do business with someone else.

by SHAUN T. ALGER and DAN NEGRONI

Are you ready to get real right now about millennials? Can you handle them with your current perspective? Are you really ready to bridge the gap between non-millennial and millennial generations in the workplace and marketplace to help your business achieve real, bold results? We hope so.

Yes, millennials are a huge challenge if you don't understand and engage them. They have taken over as the largest generation, and they don't just want the power – they are the undeniable power!

Sixty percent of the world's population are millennials, or about 2.4 billion people. They make up about 36 percent of the workforce and within a decade they will be the most significant consumer group. Most importantly, from the point of view of brokers, is this: Ninety percent of parents get input from their millennial children when making purchasing decisions, especially about family issues such as insurance.

Millennials will decide what businesses succeed – and which ones will be left behind. Millennials are going to control their parents' retirement and health care decisions – and inherit a vast amount of wealth. Companies that want any chance of succeeding need to figure out how to win with millennials.

Yet only 23 percent of organizations have a plan in place to engage millennials and future generations. Do you?

It's a Genuine Problem

Is this a real problem, or just manufactured by marketing gurus? Oh yes, it's quite real. And we are stuck with it; it's not going away. As parents, we had a challenge raising them; as employers, hiring them; as employees, working for them; as marketers, selling to them. And their world is different, too. Think of where we've been and the changes that have occurred in the last 30 years. We've gone from information in encyclopedias and microfiche to a crazy-ass digital milieu where we can instantly get any information, whenever and wherever we want. Millennials grew up wired and now wireless – and have never known a world in which technology did not consistently change and repeatedly shorten timelines of obsolescence. They know no other way. Everything is discardable, even romantic partners – if they don't like one, they just "swipe right" as they've learned to do on Tinder. (Don't know Tinder? Sorry, but you need to know what they're talking about so you can understand them.)

Break the Pattern

Not surprisingly - we follow the patterns of previous generations and complain about these crazy kids and throw up our hands in frustration – and do nothing. As a result, all we do is chase relevance with them, often never finding it.

Time to change: Seek to understand them and connect with them. Engage them as customers and teammates. Stop and shift. Stop bitching and moaning and start studying. Here is what to do:

1 Understand they are the power. Millennials are and will continue to be the next-generation customers. Only 4 percent of millennials will use their parents financial and insurance advisers. Don't you want that business? We need to understand how to connect with them. So make the effort.

2 Understand their core characteristics. Millennials are the same people personally and professionally, you get what you get, so understand that, and learn from your millennial employees, too.

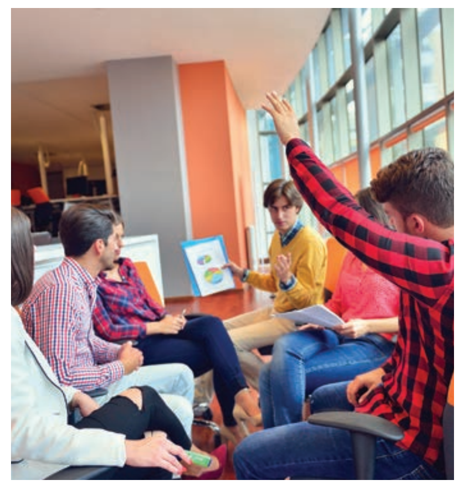
3 They want to be courted differently. So do it how they want it, not how you want it. Younger generations connect fast sometimes and slow other times. Slow because they value and love experiences. They would prefer experiences to things. Period. They also love technology – and want to go fast. For example: They take an Uber to a farm-to-table, organic restaurant that serves craft cocktails, and they want to know about everything and anything they do or can do. Use that knowledge of their behavior and values to engage them.

4 Always think about causes and purpose. They love purpose and are much more apt to buy from and work for companies with a focus on giving back as well as those that have a culture of diversity and inclusion. Ensure that you have a plan to speak to what you stand for as a business and deliver a message that demonstrates you care about what they care about. Boomers might say they want low prices and make their own charitable contributions. But millennials love concepts like the shoe company that gives a pair to the needy for every pair that you buy and they're willing to pay a higher price for that.

5 Teach them what they need to know from you to get it right. Millennials love to learn; learning is almost as important as money to them. There's a new mantra in town: "Be a lifelong learner." Spend time creating value for them by teaching them why what you do is important to them. Don't sell to them as much as teach them.

6 Get right to the point. Be honest. And make it about them. The young are smart so your messaging better be authentic and real and to the point. They see through the crap, they have been bombarded with false advertising since birth. Demonstrate your value clearly and in a concise and easy to find manner.

7 Think teams and groups. Millennials are driven by their peers and find great solace in the peer advisory. They are also super collaborative and want to be known for and included in a team of innovators and suffer from "fomo" (fear of missing out). So play to that. Engage them in experiences that they can enjoy with friends.



Make It About Them

Your products and services better adapt to these characteristics and speak to and deliver to millennials and what they want as customers and not what you think they want. Just like every other marketer from the beginning of time, you'd best make it about them or your business will die.

Are you still fighting for mindshare? Of course you are in this crazy disruptive world. Apply these guidelines to your operation and you will be closer to meeting future customers' needs. And, by the way, if you really want to know what they want - just ask them. They are smart and blunt – they will tell you. ★

Shaun T. Alger is practice manager at VoloHaus, a "revenue machine" consultancy in San Diego. Dan Negroni is founder of LaunchBox365, a workplace connections company, also in San Diego. Contact Alger at 716-815-4464 and Negroni at 858-314-9867.

Agents Expect Post-Obamacare Landscape to Enrich the Local Marketplace

Insurance Professionals in Big Orange Ready to Squeeze Changes for Opportunity

by STEVE SILKIN

It was a packed house at the Orange County Association of Health Underwriters annual shindig this year. And packed with optimism, too.

Most of that was centered on the possibility that the Republican plan to jettison the Affordable Care Act would lead to a healthier marketplace with enhanced competition and a more vibrant atmosphere. If you watch the news, you might get the notion that President Donald Trump is a national disaster; but out on the street, things feel different.

"All the changes to the ACA bring a lot of opportunity," said Tracy Hanson, the association's membership director. "That's with the new presidency and the changes that he is going to put into place."

It's a sentiment that she hears from her membership.

"They see a lot of opportunity, no matter what it's going to look like versus the past," she said. "People were nervous. Now they look at it as a positive, and they can find opportunity."

The landscape has changed for both industry veterans and newcomers.

"Those that have been in the business for a while, I think they do a lot of opportunity," Hanson said. "And those that are new to our industry, they're always excited to find new opportunities."

Uncertainty leads to increased association membership, she noted. The association has about 320 members, and most were in attendance – carriers, brokers, client service reps. Membership was at its peak two or three years ago, but might be rising again.

"Everyone was nervous over ACA," she said. "So they were looking for information. We see new membership coming on new with people looking for information, too. We see more membership coming on with all the changes."

Forty-five exhibitors had booths, said Gail James Clark, executive director of the Orange County association. The event was Feb. 21 at the Hilton Costa Mesa.

"We sold out," she said. "The tone of everything is good. The energy is high."

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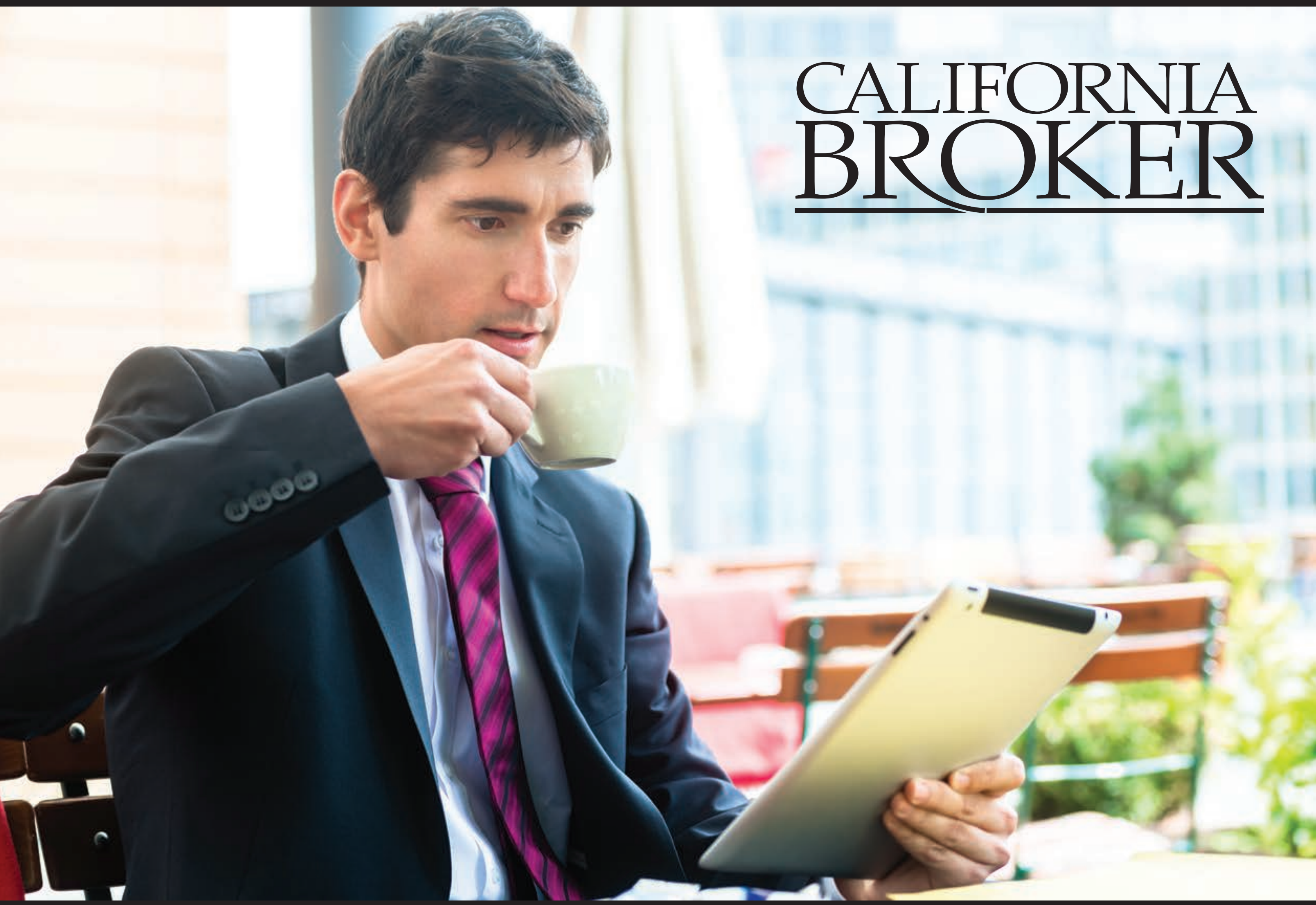

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Speculation and Idealism

A panel discussion included many "what ifs" regarding the possible reform under the Republican plans to repeal and replace the Affordable Care Act. A lot of factors went into each equation, however.

One of the panelist was longtime California health insurance expert, a former industry executive and current technology entrepreneur, Alan Katz.

He was asked to present the ideal scenario for a reform plan.

"If there was an ideal world, dogs and cats would come together," he said, referring to Democrats and Republicans. "They would look at the status quo – which is the Affordable Care Act – and they would say: This stuff works, and this stuff doesn't; what can we do to fix the stuff that doesn't, and how do we pay for it?"

The latter part proves, of course, touchiest, as the ACA's funding wasn't seen as equitable.

"Then, you'd have a responsible, unheated rational conversation in which there would still be differences, but they'd come together and find a middle ground that makes no one 100 percent happy, but no one 100 percent sad."

He said that the key would be preserving choice in the marketplace. In other words, avoiding a "cookie-cutter approach" in which the law decrees that "everyone must have this plan."

Under that scenario, "brokers are going to thrive," he said.

But what should they fear? The nightmare scenario is that everyone would be guaranteed insurance regardless

Patton

Hanson

of pre-existing conditions, but there would be no obligation to carry insurance. That would mean that healthy young people would not pay premiums that covered the cost of the unhealthy and older people, whose claims would then far surpass insurer income.

"What they should fear, is that Republicans – in their haste to fulfill a campaign promise and their reluctance to force people to buy insurance – create a world in which there's a guarantee with no pre-existing condition exclusion, but no obligation to buy," Katz said.

While the individual market is already under strain amid the cost pressures of Obamacare, that would cause it to implode, he said.

Under that scenario, what happens? It's a significant question he noted. Some might say: So what? All good things must come to their proverbial end. However, Katz believes that it will hurt the carriers, pain that will eventually seep through the industry.

"It's like dominos," he said. "If you're a carrier, if something goes wrong in this department, it cascades through the entire company. There's no Chinese wall between the individual and the small group that would protect the small group market from the chaos of an imploding individual market."

Sales Steady, Rising

Down from theory, into practice: Chris Patton, vice president at Pinnacle Claims Management, said business was strong. He's in charge of the company's small business program, which administers Covered California, the state's successful Obamacare exchange.

He said last year finished strong and this year started strong – but that's the sign-up season. Sales were in the high 90s of goal; a little off due to the uncertainty of the election period.

"It'll be interesting to see what happens in the doldrums months, February through November," he said. But the signs pointed to optimism among his agent corps.

"We're getting a lot of new entrants; they were attracted by the ACA," he said. "They're newly licensed folks that didn't work in benefits previously."

The company sells only 10 percent to 15 percent direct to consumer; the rest come from leads it provides to agents. The doldrums months he mentioned will be dedicated to getting up to date.

"Working with our agents, working with our carriers to develop portfolio changes," he said. "Adding products. Do all the things we need to do to keep an exchange viable."

He said he looked forward to whatever legislative changes come his way.

"In our market, in our industry in general, uncertainty has almost always created opportunities," he said. "I think our model for small group is really nimble with respect to change. We're not a product from a carriere're a pretty nimble platform."

That means when the soup du jour comes along – these days everyone anticipates Health Savings Accounts to be a hot product, due to tax advantages and retirement advantages – Pinnacle can spring into action.

"If HSAs become the darling, or some derivative of HSAs, we can just plug it in," he said. "Change is exciting. We should be in a good spot." ★

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Frustrating Regulations, Changes in Rules Lead Some Health Underwriters to ‘Age Out,’ Others to Diversify

Inland Empire Sees More Fall Than Rise in the Current Landscape

by STEVE SILKIN

Next time you hear politicians babbling about healthcare legislation, please remember this exquisite crystallization of what’s going on:

“A group of well-meaning people trying to fix something they don’t understand.”

That slice of poetic wisdom comes courtesy of Richard Hawkins, principal of Richard Hawkins Insurance Services in Riverside. He was discussing the challenges that industry professionals face as they try to serve their clients amid an increasingly frustrating battlefield.

“The joy in this business is to help people,” Hawkins said in a conversation at the Inland Empire Association of Health Writers Sales Symposium. And agents find that bliss “in spite of a conflicted market and politicians that are well meaning that don’t understand their job and don’t understand our industry.”

It’s a challenging business, to say the least.

“We work in that environment trying to help others, with programs that may or may not be palatable but are the best that we can use to support them. We’re here to provide a service.”

So why do the opportunities seem so limited?

“They’re limited because the government continues to limit what we can do,” he said. “But within that limited environment we can still provide excellent service to support the clients and guide them in ways that are beneficial to serve their needs and interests.”

So let’s say all the limitations disappeared?

“The ideal world gives the consumer choice and gives the provider a freer ability to treat his patients,” Hawkins said.

Alas, we are far from that ideal.

"Here, the patients are given restricted access to office visits, visit times are narrowed, access to certain prescriptions are restricted, all because of costs and government-imposed limitations."

The problem is especially acute in the senior market, due to congressional restrictions.

"A true open market will allow a senior to buy a plan that actually fits his needs and interests," he said, "instead of being pigeonholed into the few options the government gives him."

So the essential two concepts to retain from this discussion: Consumer choice. Provider freedom.

"Absolutely," Hawkins concluded. "And that's been restricted."

Unsettling Times

Membership in the Inland Empire group has fallen off, said Executive Director Dawn Carroll, and is now at 167.

"They're seeing a lot of change in the industry," she said. "Retirement, changes of companies, companies no longer sponsoring their employees – lots of different reasons."

There were 44 exhibitors, the same as the previous year. Part of the exhibit room was empty. The association added an art walk to the networking on the eve the symposium.

"We had room for more, but we had an art walk this year," Carroll said. "So we decided that we would just use the room as it was, so we left a little space."

The symposium did meet its goal of about 350 attendees, however.

The climate is certainly changing, especially in regard to health insurance, said Kristie Scavarda, association president.

As the symposium was taking place, the Republicans were rolling out the draft plan for repealing and replacing the Affordable Care Act, or Obamacare. Industry veterans were unsettled, to put it mildly, she noted.

"There's a lot of concern with the industry right now, with the current president and legislation that's being proposed," she said. "There are always opportunities, but alongside there come challenges."

What actions can agents take?

"Everybody deals with them as best they can," she said. "Some people are aging out of the industry. Some people are getting into the industry. For those who've been in the industry, they're finding new avenues – personal lines, commercial life insurance, annuities, investments – branching out. Health is too uncertain and challenging."

Prayers for a Friend

The event was March 7 and 8 at the Riverside Convention Center.

Before lunch, the members took a moment to say a prayer pulling for a friend who was severely injured.

Johnny Scharnweber, past president of the association, is struggling to recover from a devastating accident that occurred while he was in a motorcycle race in January, leaving him paralyzed.

His sister, Karalynn Sprouse, has launched a fundraising campaign to allow his friends from the worlds of both insurance and motorcycle sports to contribute toward his ongoing care. Sprouse commented on his resiliency, noting he survived a kidney transplant more than 20 years ago. She also cited his business success at Ringo Financial and Insurance Solutions, paying tribute to him as a leader in his industry and noting he lobbied on Capitol Hill for the interest of both insurance professionals and motorcycle riders.

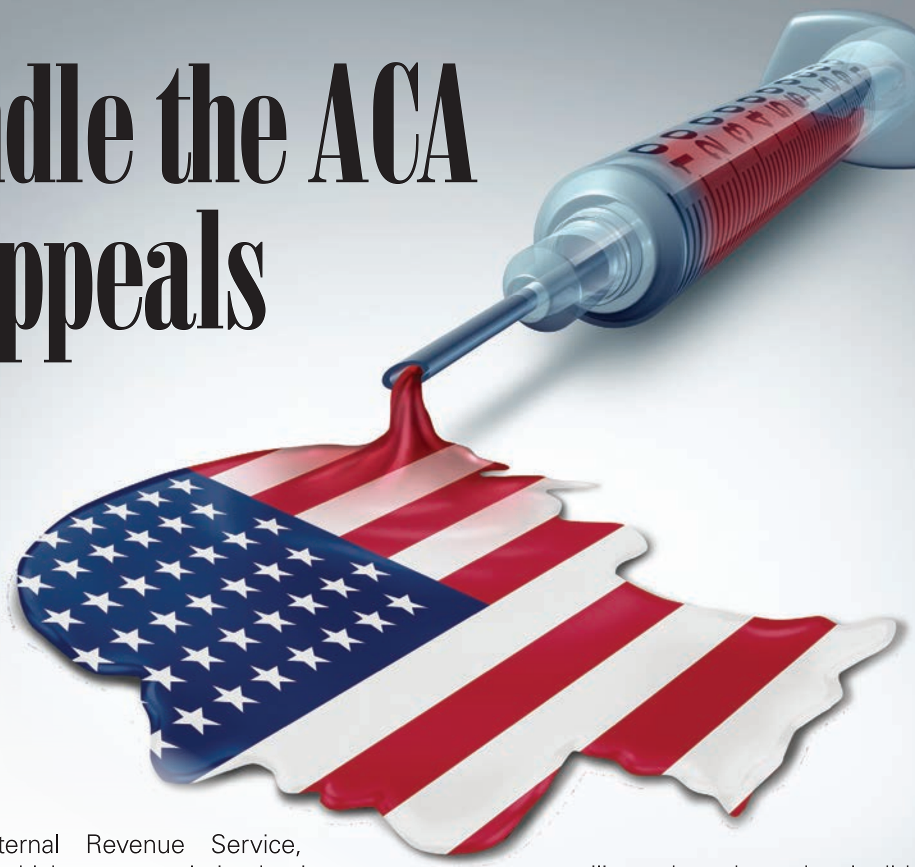
The accident was Jan. 22, when he was riding in the National Hare and Hound Race in Lucerne Valley, California, amid the muddy conditions of the recent storms. "Due to the extreme conditions, things did not go as planned in the race and Johnny had a dramatic crash leaving him with several broken vertebrae in his neck and a severely swollen and bruised spine," Sprouse wrote on her fundraising site. "Currently Johnny has no feeling from his chest down and has little movement in his toes and right arm. Although he has had surgeries and has been admitted to a nationally known acute rehab facility, his prognosis is unknown. We know that Johnny is a warrior and will fight to not only walk but to race and teach again."

Although insurance covers his rehab care, the fundraising is designed to finance stem cell treatment, which costs up to $50,000 per session and is not covered.

The site is gofundme.com/operation-coach-ringo-recovery. Checks and well-wishing cards can be addressed to the Inland Empire Health Underwriters Association, P.O. Box 11088, San Bernardino, CA 92423-11088. ★

Johnny Scharnweber

How to Handle the ACA Exchange Appeals Process



by JOANNA H. KIM-BRUNETTI

The Health Insurance Marketplace has been issuing notices to employers signaling a basis to impose penalties for failing to offer the applicable healthcare coverage to identified employees as required under the Employer Mandate. Employers who receive such notices have 90 days to respond. What should employers do if they receive such a notice?

The notice provides a preliminary finding that the identified employees reported that any of several conditions apply: They did not receive an offer of healthcare coverage, they were offered coverage but such coverage was not affordable or did not provide for minimum value, or was in a waiting period and unable to enroll in healthcare coverage. Moreover, the notice explains that the exchange found that the identified employees were eligible for a tax subsidy as either an advanced premium tax credit or cost sharing reduction.

The notice further explains that if the employer was an Applicable large employer, which is an employer with at least 50 full-time or full-time equivalent employees, the employer may be subject to penalties under the Employer Mandate. Such penalties are triggered if the employer failed to offer coverage to 95 percent of its full-time employees or such coverage was not affordable or did not meet minimum value. "Full time," it's important to note, is defined to be 30 hours of service per week.

If the employer fails to appeal within 90 days of the date of the notice, the exchange will send a notice to the Internal Revenue Service, which may result in the imposition of penalties on the employer. To appeal an Exchange Notice, the employer will need to provide documentation showing that the identified employee did in fact receive an offer of coverage for the applicable time period, that such employee's offer of coverage was affordable and met criteria of minimum value or that the employee was not in a waiting period and unable to enroll in such coverage.

The exchange does not make the determination that penalties should be imposed on the employer. That will be the task of the IRS. However, by timely appealing an erroneous notice from the exchange, the employer can avoid a subsequent notice from the IRS.

Later Stage, Additional Issues

At the later IRS notice stage, the defense may involve additional issues. For example, if the employer contends that the identified employee was not a full-time employee, the employer will need to show documentation of how that person's part-time status was determined and that such methodology was done using one of the IRS-approved methods. If the employer contends that it was not in the Applicable large employer category, the company will need to show that it did not have the requisite 50 full-time and full-time equivalent employees in the year prior to the reporting year. It is important to keep in mind that the IRS has access to the employer's W-2 counts, which may appear to contradict the employer's assertions.

Instructions on the Affordable Care site, http://www.healthcare.gov, show how to complete an Employer Appeal request form or a letter with the equivalent information as the form. A tip: While many employers have software to assist in generating forms for information reporting, they should not be used for this; an IRS appeal should be handled by a professional with ACA expertise. Further, be aware that the ACA includes an explicit anti-retaliation clause, whereby employers may not discriminate against those employees who have received such a tax subsidy. Regardless of whether your notice is correct or your appeal is denied, you must not take any action against your employee. The cost could be much more than the proposed shared-responsibility payment. ★

Joanna H. Kim-Brunetti is vice president of regulatory affairs at First Capitol Consulting, a Los Angeles benefits consulting company.

GOP Repeal Revealed – and Reviled

Plus: California Plan for Single Payer Introduced ...New Products...People...Philanthropy

REFORM

Mike Pence and Paul Ryan

White House Tries to Salvage Obamacare Replacement

The White House launched an intensive effort to salvage support for the Republican plan to revise the Affordable Care Act, even as a growing number of lawmakers weighed in against the proposal.

After the Congressional Budget Office released its analysis showing that 14 million fewer Americans would be insured next year under the GOP plan, Vice President Mike Pence and Health and Human Services Secretary Tom Price came to Capitol Hill to rally backing for the proposal.

But widespread dissatisfaction among both House and Senate lawmakers — conservatives and moderates alike — showed no signs of dissipating, increasing the chance that House Speaker Paul Ryan's proposal will have difficulty passing the House if it goes to the floor over the next two weeks — not to mention whether it can collect a majority in the Senate.

Covered California Sounds Alarm

Covered California leadership found the Republican plan to repeal and replace Obamacare will put health coverage out of reach of many in the state, according to its new studies on the Affordable Care Act's benefits as well as a preliminary analysis of how changes proposed in federal law would affect enrollees.

The studies come one day after the Congressional Budget Office reported that 24 million consumers could lose coverage under the proposed American Health Care Act, which was introduced in the U.S. House of Representatives on March 6. Covered California implements the Affordable Care Act in the state.

"We are deeply troubled by the CBO's finding that the amount of support provided for consumers to buy health insurance in 2020 under proposed legislation would be only 60 percent of what is provided under current law," said Covered California Executive Director Peter V. Lee. "While we are still doing an analysis of the aggregate effects of this law on our consumers, the likely effect of basing subsidies on age alone — rather than considering income and where an individual lives — is that it will make coverage unaffordable and in many cases, put coverage out of reach."

Single Payer Plan Floated for California

Lara

Legislation introduced in the state Senate would set California on a path toward the possible creation of a single-payer health-care system — a proposal that has failed to gain traction here in the past.

The bill, announced Feb. 17, is a preliminary step. It says that it is the "intent of the Legislature" to enact a law that would establish a comprehensive, single-payer health care program for the benefit of everyone in the state. The legislation, introduced by state Sen. Ricardo Lara, D-Bell Gardens, does not offer specifics of what the plan would look like, nor does it mention a timetable.

A single-payer system would replace private insurance with a government plan that pays for coverage for everyone. Proponents argue that single-payer systems make health care more affordable and efficient, but opponents say they raise taxpayer costs and give government too much power.

CALIFORNIA NEWS

Cigna Forms Team With HealthCare Partners in L.A.

HealthCare Partners and Cigna have formed a partnership to offer employers in and around Los Angeles health care options designed to improve access, quality, affordability and ease of use.

The companies will offer HMO health plans, with care coordinated through a primary care physician, to employers with at least 100 employees. Those employers can choose a fully insured plan or they can opt for other arrangements. Branded as HealthCare Partners Select HMO, the plans will be offered beginning April 1.

The partnership was designed to reward providers who help their patients achieve improved health at an affordable cost. The goal is to improve quality of care for individuals while sustaining affordability and value for both the employee and employer.

HealthWorks Buys Premier Comp in Pleasanton

U.S. HealthWorks in Valencia, an operator of occupational health and urgent care centers in the United States, has acquired Premier Comp Medical Group in Pleasanton. U.S. HealthWorks now has 16 centers to serve patients and employers in the Bay Area and 74 in California.

Premier Comp Medical Group, at 5635 W. Las Positas Blvd., Suite 401, offers services such as work injury care, physical exams, drug and alcohol testing, and pre-employment screenings.

Hub International Buys Lissc in Santa Ana

Hub International Limited in Chicago, a leading global insurance brokerage, announced today that it has acquired Lissc, a Santa Ana company. Terms of the acquisition were not disclosed.

Lissc is a multi-lines insurance company that will join Hub California. Angelo Maroutsos and Dennis Monahan, co-owners, and David Trevino, vice president of Lissc, will join Hub California and report to Peter Duncan, executive vice president, Hub California. Hub International Limited is committed to growing organically and through acquisitions. Hub provides property and casualty, life and health, employee benefits, investment and risk management products and services from offices located throughout North America.

Pandia Launches Fund For Free Birth Control

Pandia Health, a San Francisco health service startup founded by a team of women has launched the Pandia Health Birth Control Fund to provide free birth control to those without insurance.

Lack of insurance coverage for birth control and the cost of birth control were listed among the most common hardships cited as barriers to access.

Pandia Health Birth Control Fund is a non-profit that provides free birth control and telemedicine consultations to uninsured women who could not otherwise afford those services. The fund is a project of the Center for Policy Analysis, which aims to get healthcare for all.

Pandia Health services are currently available in California with plans to expand across the United States this year.

Simple Recovery in Costa Mesa Gains Anthem Contract

Simple Recovery, a chemical dependency treatment center in Costa Mesa, California, has joined networks of 14 major insurance carriers, including Anthem Blue Cross.

Simple Recovery underwent clinical evaluation with several managed care organizations to obtain in-network contracts, most recently with Anthem Blue Cross.

"The high standards required by in-network payers aligned well with our organizational culture and practices," noted Dr. Stephen Odom, chief executive of New Vista Behavioral Health, the parent company of Simple Recovery, in the Greater Los Angeles Area.

NATIONAL NEWS

MetLife Teams With U.S. Chamber to Honor Small Businesses

The U.S. Chamber of Commerce and MetLife announced a collaboration to elevate the voice of America's small business owners and highlight the important role they play in the nation's economy.

The initiative will produce a quarterly small business research index; a series of local market events that will present information that help businesses save money, save time and foster growth; and the annual Dream Big Small Business Awards program, which celebrates some of the country's top entrepreneurs.

"There's nothing small about small business," said Suzanne Clark, senior executive vice president at the U.S. Chamber of Commerce. "Today, 28 million small businesses account for 67 percent of new jobs in America and more than half of the nation's economic output, with an impact that goes far beyond their front doors."

NEW PRODUCTS

BenefitMall Teams Up With Employee Navigator

BenefitMall, a Dallas provider of employee benefits, HR and payroll products, has teamed up with Employee Navigator to provide brokers access to a comprehensive suite of benefit and HR software.

Employee Navigator Chief Executive George Reese said it was a milestone in the company's progress.

The announcement follows integration between Employee Navigator and BenefitMall's payroll product, PayFocus Pro. The new partnership will expand the tools available to brokers across the country who are increasingly turning to technology to solve an array of problems for their clients.

Employee Navigator is a software-as-a-service based benefits and HR platform in Bethesda, Maryland, that works with 20,000 employers and 3 million employees. The platform provides brokers and their clients with a single place to manage onboarding, online enrollments, ACA reporting and time-off tracking.

LimeLight, CaliforniaChoice Launch Platform

Benefits technology company Limelight Health in San Francisco and CaliforniaChoice private exchange in Orange, California, launched a simple "quote-to-enroll" platform. When a user of Limelight's Quotepad marks a proposal as sold, all sold case data will autopopulate into the CaliforniaChoice online enrollment system at www.calchoice.com.

Using Limelight Health technology, brokers can "quote-to-enroll" their clients in seconds, streamlining a complex process. With added features such as real-time cost modeling to find the right plan and defined contribution strategy, automatic census data upload, and a visual dashboard interface, brokers have a one stop end-to-end solution that they can use on their desktop in the office or on their mobile devices anytime, anywhere.

CaliforniaChoice offers group health coverage from Anthem Blue Cross, Health Net, Kaiser Permanente, Sharp Health Plan, Sutter Health Plus, UnitedHealthcare and Western Health Advantage.

Cigna Wants You to Meet the BioBall!

Health service company Cigna in Bloomfield, Connecticut, became the first company to use Microsoft HoloLens technology for health screenings in the form of BioBall, a fast-paced interactive game that helps players learn their blood pressure and body mass index.

"The evolution of personal health and technology is something that has tremendous impact on everyone. We're the first to harness the new HoloLens technology for health screenings, and we believe BioBall can revolutionize how people view the process," said Stephen Cassell, Cigna's chief brand officer.

Cigna sees BioBall as an innovative way to encourage people to take control of their health information. BioBall will be available at Cigna-sponsored public events throughout the country. A portable, pop-up version of BioBall also is rolling out for use at Cigna's client locations for those employers who request BioBall for their onsite clinics or other employee events.

HealthSherpa Introduces Cobra Crosswalk

HealthSherpa, a San Francisco health insurance enrollment company, announced a new product, Cobra Crosswalk, for corporate partners to provide alternatives to Cobra health insurance continuation coverage for employees. The average Cobra enrollee typically incurs claims 50 percent higher than an active employee, costing employers thousands per enrollee per year.

Crosswalk allows employees to enroll in quality, affordable coverage that is up to 85 percent cheaper than Cobra coverage, the company said.

HealthSherpa offers leading brand cost-effective healthcare benefits to part-time, seasonal, temporary, 1099 and other non-benefits eligible employees.

Landmark Offers Two New Chiropractic Plans

Landmark Healthplan introduced two new plans, the Basic Plan and the Package Plan, to go alongside the existing plan, the Plus Plan.

The Landmark Chiropractic Basic Plan includes 15 chiropractic care visits per year for wellness, chronic or acute care. Prior authorization is not required, and each office visit co-pay is only $25.

The Landmark Chiropractic Package Plan is a 12-month plan that includes four visits to a chiropractor. With more than 1,000 chiropractors in the California network, prior authorization is never required. Each office visit co-pay is only $20.

The Landmark Chiropractic Plus Plan offers the most office visits. It includes 20 chiropractic visits per year.

MetLife Recasting Benefits Enrollment

MetLife, a New York provider of non-medical employee benefits in the United States, has launched a strategy to recast employee benefits enrollment in partnership with employers and their brokers and consultants. The strategy brings together new research findings with actions that enable MetLife to work with employers, brokers and consultants in new ways to create benefits enrollment experiences that help employees understand their benefits, make informed decisions and easily enroll.

Based on research MetLife conducted with HR decision makers and employee focus groups at four companies across diverse industries, including transportation, higher education, mass media and manufacturing, common unmet employee needs emerged.

Standard Launches Health Advocacy Service

Standard in Portland, Ore., has launched the Health Advocacy Select service, offered along with the company's Short Term Disability insurance coverage. The new Health Advocacy Select service, offered through an arrangement with Health Advocate, a health assistance and support company, can help employees navigate the health care system while on a short term disability claim and ease the administrative burden on HR professionals.

Daniel Tkebuchava, marketing product manager at Standard, said: "We believe that providing Health Advocacy Select to employees experiencing a short term disability is an additional way to assist them in moving forward with their lives when a disability occurs."

Standard also offers Health Advocacy Enhanced in conjunction with Health Advocate, which provides Personal Health Advocates who help employees and their covered family members, such as dependents, spouses, parents and parents-in-law, manage their healthcare needs.

PEOPLE

Arthur J. Gallagher Brokers Honored

Arthur J. Gallagher & Co., a brokerage company in Itasca, Illinois, announced that 31 of its retail insurance brokers and benefits consultants have been recognized as Power Brokers by Risk & Insurance magazine.

California brokers honored were: Cathy Borowski, Glendale; Brandon Cole, Irvine; Tim DePriest, Glendale; Alexandra Glickman, Glendale; Mike Gong, Fresno; and Daniel R'bibo, Glendale. A finalist was John Chino, Costa Mesa.

Power Brokers are selected annually from among thousands of nominees, based upon client recommendations, depth of industry knowledge, and their success in delivering superior service and innovative solutions to their clients' risk management and employee benefits challenges within the preceding 12 months.

"We are proud to see the difference these honorees have made in helping our clients overcome their unique insurance, risk management, and employee benefits challenges" said J. Patrick Gallagher Jr., chief executive of Arthur J. Gallagher & Co.

Scan Group Appoints Selecky and Rosenstock to Board

Scan Group in Long Beach, a senior-focused organization with the mission of keeping seniors healthy and independent, announced the appointment of two new board members: Christobel E. Selecky and Dr. Linda Rosenstock. Selecky and Rosenstock lend their extensive business, medical and academic expertise to Scan's board, fortifying its commitment to ensuring California's seniors have access to quality care and community services. In their new roles, Selecky will serve on the board's finance and compensation committees, and Rosenstock will join both its audit and compliance committee and quality and customer experience committee.


Selecky


Rosenstock

Kaiser Executive Lancaster Named 'Woman to Watch'

Kathy Lancaster, Kaiser Permanente's executive vice president and chief financial officer, has been named to Modern Healthcare's "Women to Watch" list. This is the first time the list has been published. Starting this year, it will appear annually with the publication's existing "Top Women in Healthcare" feature.

Lancaster has held the role of CFO of Kaiser in Oakland since 2005, and in that time has seen annual operating revenue climb to $65 billion, and seen membership grow to more than 11 million people.

"She is a fierce and passionate advocate for putting our members first," said Kaiser Permanente Chairman and CEO Bernard J. Tyson. "I'm pleased her leadership and contributions are being recognized."

Lancaster leads a staff of nearly 25,000 and oversees the Kaiser Permanente controller's office, treasury, capital planning, and enterprise shared services, including national facilities services and pharmacy operations. She joined Kaiser Permanente in 1998 as director of finance and later held the role of vice president, strategic planning and analysis before being elevated to the CFO role 12 years ago.

Apriem Advisors Names Landon Yoshida as Partner

Apriem Advisors, an Irvine, California, wealth management firm, has promoted Landon Yoshida, to principal and vice president of wealth management. Yoshida started with Apriem in 2011 as a wealth manager after working at a large investment firm as an adviser.

"He is an invaluable asset to our team as well as his clients," said Harmon Kong, chief wealth manager and founding principal of Apriem Advisors. Yoshida was an integral part of Apriem's recent 20 percent year-over-year organic growth. He leads the firm's Refinery Retiree Practice, fueled by current or soon-to-be retirees from ExxonMobil's refinery operation in Torrance, now Torrance RefiningCo. Yoshida began this program a decade ago and has honed the model so successfully that it will be expanded to serve Southern California's growing population of retirees in the aerospace sector, Kong said.

PHILANTHROPY

Anthem Blue Cross Foundation Tallied $3.8 Million for 2016

From teaching lifesaving skills, to increasing cancer screening and helping youth discover that eating healthy and staying active can be fun, the Anthem Blue Cross Foundation continues to tackle some of California's most complex health issues.

Last year's results, donations of $3.8 million, plus hours of employee volunteer work, illustrate how the foundation's partner non-profits are helping to reduce health disparities and empower local community residents to take control of their health.

"We know that when our communities are healthy, their residents are able to thrive, grow and prosper," said Brian Ternan, president of Anthem Blue Cross. "The Anthem Blue Cross Foundation is proud to team with these organizations that are dedicated to improving the health of our communities and are working to change the lives of so many people across the state."

Through its focus on heart health, cancer prevention, prenatal care, diabetes prevention, active lifestyles and behavioral health, the Anthem Blue Cross Foundation teams with organizations that are setting the standard when it comes to innovative programs that offer long term solutions.

The foundation works with the American Heart Association, The American Cancer Society and the Boys & Girls Clubs of America, among other partners.

Beyond the impact made by the Anthem Blue Cross Foundation, Anthem Blue Cross associates donated more than 7,100 volunteer hours to benefit countless nonprofits in communities across the state. Additionally, during the year-round associate giving program supported by an Anthem Blue Cross Foundation match, they raised $568,000. ★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