



## AGENDA

**Meeting Description:** CAHU Board of Directors

**Date and Time:** January 16th, 2018 – 10:00 a.m. – 3:00 p.m.

**Location:** Dickerson Insurance, 1918 Riverside Drive, Los Angeles CA 90039

*Requests to add agenda items may be presented under item II.*

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I. Welcome, Call to Order 10:02 am,

Antitrust Reminder reviewed by President

II. & III. Approval of Agenda of January 16, 2018 and approval of Minutes of December 19, 2017 - Motion by Maggie Stedt, Second by Rick Coburn, Approved by consent

IV. Financial Report

VP of Finance via phone

Financials are about where they are supposed to be for halfway through the year. Income is at 41% for membership, 198 members behind target YTD. Sponsorships could also go up. Expenses are about in line – exceptions are: line item 6370 is almost spent for legislative advocacy travel, line item 6580 HCR is over budget for expenditures. Line item 6630 is over on food and beverage for Vanguard. Leg Advocacy travel is over but that's to be expected given SB 562 and the reach CAHU needed to have.

Balance sheet – \$325,000 income, down slightly compared to last year. Need to focus more on sponsorships. Expenses on balance – spending is leveling off compared to last year.

Overall trending better year to date. Cash on hand of \$22,000 just under \$120,000 in Charles Schwab. No outstanding liabilities. HCR was pretty much on target in terms of income vs expenditures. Juan moved accepting the financials, Dawn seconded, approved.

V. President's Report

President

Stephanie presented the President's report, which included the following:

- Health Net Sponsoring February Meeting – will pop into the end of the meeting, and Health Net is working on a happy hour for after the meeting.
- DC Scavenger Hunt – Tuesday, February 27, 8:30 start time, meet at Liaison Hotel
- 100% HUPAC Contributions @ Capitol Conference are expected from all CAHU members. CAHU does encourage people to donate to HUPAC through the Bowling Party Sunday night, or during the conference as CA has the largest contingencies, but it is not mandatory as many members donate monthly.
- Region 8 Meeting is now at 6 pm on February 26.
- NAHU Unites/Gift Cards – will be distributed to about 10 families. Have almost \$5,000.

VI. Legislative Report

VP of Legislation and Legislative Advocates

Jim noted that the federal level has had more activity – federal tax bill was passed, still mandatory for health care but no financial penalty for 2019. Pushing ACA stabilization component but no vote as of yet. Operation SHOUT from NAHU went out. Association plan docs out from DOL, NAHU is providing comments, CAHU may provide comments to NAHU. Still within 60 day comment period. Most California

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*Updated: 3/30/2018*

legislators are against association plans. NAHU is opposed, California had significant issues in the 90's with those plans that CAHU is opposed. Will be sending out email with information about NAHU CapCon and visiting legislators. NAHU would like chapters to log their meetings in their system beforehand so that they can join if they want to. Maggie gave Medicare update – currently working on giving comments for 2019. Proposal to do away with AHIP (certification), OEP (Open Enrollment Period) and what products can change, Medicare has delays of up to 2-3 months to get part B...NAHU asking for uniformity in first of the month after application. SEP (Special Enrollment Period) events – often agents are not allowed to enroll. Maggie noted the importance of NAHU having a voice in these discussions. No discussion on scope of appointment. Bobbi noted that in regards to association plans, got feedback that it might be worth doing a member meeting on the issue. Problem is that its early in the process. If something actually materializes it might make sense at a later date. For the state chapter - started planning for capitol summit, Adam Rochon is chairing. Next call in two weeks. Next Adopt a Leg call is February 1. Need to keep front and center with legislators – role of agent, etc.

Faith – Legislative deadlines – 2 year bills had to go to appropriations and be out of committee on Friday (January 19). Legislature has until Feb 16<sup>th</sup> to get new bills out. Assembly Health committee – if anything is going to be done legislatively that would increase cost of care or other prices, bills and/or changes have to go through CHBRP (California Health Benefits Review Program) to receive a fiscal analysis. Select Committee – announced hearing on Wednesday, January 17. This will be a highly academic focused hearing, a few economists and other speakers. SB 562 is still held in rules. Did not meet thresholds for policy hearing, could see it again as a new bill or a gut and amend, but it may not move this year. Will be highly politicized but may not see the bill come back. Hearing will be publicly broadcast, link will be distributed.

Budget released by Gov. Brown, subject to May revise as revenue comes in. \$6 billion surplus in projections, governor is trying to fill rainy day account.

AB 1140 (HSA bill) – died in committee.

Initiatives are on website under new Initiative tab. Gubernatorial debate featuring top 6 candidates was held, single payer was big topic. Leg Council has recommended position of watch on SB 399 (autism related mandate). Several groups are opposed to the bill. Patrick expressed that he would like to oppose – sets bad precedent to mandate insurance companies to pay for treatment with no medical background. Jim motioned to accept watch position, Adam seconded. Bobbi noted that politically an oppose would be difficult. Faith did not think it would make it out of approps. Watch position passed.

Re: SB 562 – Rendon has made clear he will not move bill out of committee without a fiscal analysis.

Bill review will be in San Diego, likely at Petco Park. March 6<sup>th</sup> or 7<sup>th</sup> depending on availability. Leg Chairs and Exec Board go to Bill review, anyone else is at chapters cost.

## VII. Bylaws and Policy & Procedure

### Recommended Changes

### President-Elect

P&P changes will be considered one at a time, motion, second, discussion for each. Bylaw changes must go to HOD. If they pass it takes a year from that point.

**Policy 1001** – removed second “on” from 5. Bobbi motioned for acceptance, Jim seconded, approved.

**Policy 1003** – Under Procedures, second bullet point, “To ensure that all invested funds are protected by FDIC

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(Federal Deposit Insurance Corporation), CAHU shall not maintain more than the current ~~minimum~~ *maximum* FDIC threshold at a single bank.” Pat motioned, Rick seconded, approved.

**Policy 1004** – Under Mode of Travel, last sentence. Policy asks for prior approval, but individual should be able to make decision, approval process at back end. Maggie motioned accepting changes, Sue seconded. Brad asked to change sentence to read ~~“With prior approval from the Executive Director or VP of Finance, CAHU will~~ reimburse for rental car, if less expensive than flight option. *Rental cars from the airport to the meeting site are approved only if other, less expensive options are not available such as a shuttle or a cab. Approval is at the discretion of the Executive Director or the VP of Finance.*” – Maggie and Sue accepted Brad’s amendment.

Under Special Circumstances, first paragraph: Add last sentence *“These members may also be reimbursed for mileage in its entirety if there is no airport with reasonable distance from their home.”*

Under Special Circumstances, second paragraph: ~~“Items not allowed for reimbursement: CAHU does not pay for the following: Valet parking (except in cases where it is the only parking option available),...” “Incidentals: CAHU will reimburse for business-related incidental expenses such as meals, internet, shuttles or cabs to and from the airport, and parking at the airport. There is a per diem, per meal allocation: \$18 for breakfast, \$24 for lunch, \$48 for dinner, inclusive of tax and 20% tip of \$100 per day for food and beverage (excluding alcohol). Cabs and shuttles used for transportation to and from meetings will be reimbursed at reasonable rates. Please share cabs and shuttles, if possible. Internet access reimbursable.~~

Motion to accept changes approved.

**Policy 1009** – Under Policy, first sentence *“...requests for refunds for pre-paid event registrations will generally not be given 45 days prior to event less \$25 processing fee.”* Second sentence ~~“However,~~ In cases of extreme hardship...” Brad motioned, Helen seconded, changes approved.

**Policy 1017** – Under Policy, *“Once a new local chapter has been approved by the CAHU Board and meets the requirements...”* Rick motioned and Sean seconded, approved.

**Policy 3011** – Under Mass E-mailing to Delegates, last sentence: *“In accordance with the Bylaw revision in 2008 candidates will be provided all delegates contact information the first day of the one month campaign season 6 weeks prior to the House of Delegates meeting.”* Patrick reviewed the history of why it was 30 days to campaign. Maggie noted that a longer campaign time was helpful if candidates want to visit chapters. Yolanda – the vote should be a board discussion, so it would be helpful to have a longer campaign time. Rick – nomination committee oversees the review of candidates. Dave motioned to make changes as shown in board packet. Maggie second. Stephanie called for a vote – 11 in favor 4 not in favor.

**Policy 3012** – Remove middle column and associated changes from changes to Policy 3011 in chart. Adam moved, Alexis second, unanimous in favor.

**Policy 3013** – Under Procedures, #16: ~~“President has the option of giving~~ *shall grant* nominees in now contested races ~~2 a minimum of 5 minutes or equal time at the podium to for a verbal campaign statement...”~~ Motion by Ryan, Second by Neil, Friendly amendment by Brad (accepted by Ryan and Neil), changes approved.

Review of voting process at HOD – secret written ballot. Reverting back to the policies/by laws that are already written. Emphasis on voting in person.

**By-laws change Article X, Section 5:** Question regarding why the need to change qualifications of officers? Individuals who serve on the board for a full year prior to being president elect gain a better sense of what is

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required and how CAHU works as an organization. Also presidents are not expected to run for other positions after being president. Dawn noted that limiting to the executive board the opportunities to serve might limit people willing to do it. Helen said that a clear pathway of how to get on to the board would be helpful. Patrick agreed that it is very beneficial to serve on the board prior to running for president elect, but opposes change because of its potential to limit participation. Intent is already in place in the bylaws to have people with experience run. Limiting to Exec Board is too exclusive. Adam noted that the same policy at the chapter level, and they have to bypass it often due to lack of interest. However, it is helpful to have it there. Korey suggested that the change be to open nominations to exec board first and then open nominations to chapter presidents and alternates. Time on board is important.

Brad suggested removing the stipulation of being on the Exec board but add in full year. Motion: Sue – move to amend language to reflect full year but not executive board. Dawn seconded. (...served on the Board of Directors of the corporation ~~in the year~~ *for a full year* immediately preceding his/her election to the position of President-Elect.) Passed to HOD for ratification.

**Motion on Article XIV, Section 2:** to change language to reflect current practice (...Vice President *of Finance* and countersigned by ~~the President of the Corporation~~ *the Executive Director or their designee...*). Brad moved and Bobbi seconded the motion, passed unanimously. Move to HOD for ratification. Patrick asked Kimi and Juan to provide bank statements for future board meetings.

#### VIII. Executive Board Reports

#### Executive Board

- Rick Coburn – Nominations Committee- one person has been nominated. Also reported on Leadership Academy, and form for VP's to submit (remove goal setting). Important area to note is D (secrets to success). Please complete form by second week in February. Rick would also like to put together PPT and do a webinar, get candidate names for Leadership Academy to Rick by second week in February. Idea is to make potential candidates comfortable enough to feel comfortable in running for position.
- Patrick Burns – Foundation – scheduled Gala - April 27 & 28. BOD will be getting printed invitations. Location: Fairmont Grand Del Mar. Can extend to a whole weekend. Golf and spa options also included in packages if you wish. Goal of foundation is education, promote the industry, and to develop a long range think tank. Revenue driver for CAHU eventually -hoping to assist chapters in education, supporting legislators, doing polls around current issues, etc.
- Cerrina Jensen – PAC Report – working on recurring questions from chapters, and then highlighting chapters that were doing well and how they were placing in the contest. Looking at how to distribute mugs that were selected. CE course on the PAC is on CAHU website now. Cerrina also highlighted video from SDAHU and asked that it be sent out to all chapters. PAC Board meeting on Thursday – attendance from local chapters has not been very good. Asked chapter presidents to make sure they are on the calls. Bobbi noted that her chapter focuses almost exclusively on retaining current donors. Bobbi would like to hear from other chapters about how to impact those numbers (and get new members).
- Maggie Stedt – Membership Report – good news is that overall CAHU gained 1 person (only state showing growth). Biggest challenge is retention – Zenefits was a big hit, but we need to recover from that. Need to look at billed not paid list. Membership needs to be a board issue, not just the membership person. Each state chapter now give monthly report of what we are doing to increase membership. NAHU looking at possible staffing cuts. Chapters need to have membership campaigns. A lot of folks are retiring – you can keep those members if they meet emeritus standards. Monte also asked about consistency with associate memberships. New agent listings from DOI – would chapters

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be interested in having those lists to mine them? (consensus was yes) The top three chapters in NAHU – OCAHU, LAAHU, SAHU. Small Chapters – VCAHU.

- Brad Davis – in process of creating customized sponsorship matrix. CA Small Business Majority wants to be metallic but only has \$1,000. Get demographics in order to sell more sponsorships.
- Dawn McFarland – Changes to CAHU website – please send to Kimi and copy Dawn. Next item – chapter tools – Form for event notice, and also press hits. Communications committee – came up with rapid response team (with Bruce and PAMT). Looking at noteworthy items, then notifying CAHU leadership (PAMT) in order to be more pro-active as educators. Dawn has new p&p and then changes to another. Will address at next meeting.

#### IX. Task Force Updates

- Korey Platt – Vanguard – Arcade for Sacramento
- Pat Stiffler – Awards – new Landmark award criteria, Pat will be sending additional details and documents. Will be promoting new certifications, membership survey by 3/31. Health insurance awareness day/week for state. Must complete before 3/31. Pat would like to see all local chapters at silver or better.

#### X. Chapter Reports

#### Chapter Presidents

- VCAHU – TPA open house, food truck, opportunity for TPA's to get up and talk about what they do and what sets them apart.
- GGAHU – Sales symposium April 26, have several events planned for each month, openings on board and some attrition. Have targeted individuals to invite to a lunch and learn. Kickoff event next week with legislative update (Faith and Marcy).
- SDAHU – sales symposium this week, new membership drive as well. February is cornhole and beer tasting event. Raffle prizes for new members and for current members. PAC video is done.
- SAHU – mid year retreat at end of January. Focus on PAC and Membership. Crab feed coming up as well.
- CCAHU – educational meeting next week, crisis management is topic. Event in February, crab feed in March. Looking at membership drive – convert associates to full memberships. Associate member – staff person, etc. Not counted under NAHU. Chapter currently without an awards chair. Succession planning – trying to get a full board slated for next term.
- IEAHU – New member orientation, includes 6 new members. Creating a whole new model of how IEAHU looks at sponsorship – looking at partnerships (semantics change). Partners have a valid place and have input. Giving discounts doesn't work – what is it that agents need to know about this association. New attitude is “what can we give to members” to increase value.
- SVAHU – 2 new members in December. Leg chair can't attend meetings with politicians. Doing a session on Tax for small businesses.
- LAAHU – January – health insurance awareness day, family feud style. Have presentations from different places including a online 401k firm. Lets make a deal with sponsors - \$500 for 5 minutes of speaking. Field day coming up- 2 day event – CA focus day 1 and national focus on day 2 – doing a variety of things (marketplace mixer), etc.
- OCAHU – Leading the country in membership, had holiday party- donations for childrens hospital. Also had a town hall to discuss SB 562. Broker development summit coming up, Faith and Mike Embry are speaking. April is golf tournament, certification course coming up in April as well. June 1 is women in business meeting. Hitting on membership and PAC as often as possible.

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- XI. Old Business President  
       No old business
- XII. New Business President  
       No new business
- XIII. Adjourn at 2:27 pm, Motion from Rick, Dawn second

**2017-2018 Board Meetings & Events:**

Month	Date	Start	End	Location	
Feb	20	10am	3pm	Board Meeting: CA New Car Dealers Assn (Northern - Sacramento)	Legislative Issues
March	20	10am	3pm	Board Meeting: Dickerson Employee Benefits (Southern)	General Fundraising
April	17	10am	3pm	Board Meeting: CA New Car Dealers Assn (Northern – Sacramento)	Professional Development Ideas
May	21	1pm	5pm	Board Meeting: Sheraton Grand Hotel, Sacramento (Northern)	PAC Fundraising
May	22	8am	5pm	Capitol Summit & Expo Sheraton Grand Hotel, Sacramento	
May	23	8am	12pm	Capitol Summit & Expo Sheraton Grand Hotel, Sacramento	
June	19	10am	3pm	Board Meeting - Tsakopoulos Library Galleria (Northern-Sacramento)	Social Media Engagement

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**AGENDA**

**Meeting Description:** CAHU Board of Directors

**Date and Time:** February 20th, 2018 – 10:00 a.m. – 3:00 p.m.

**Location:** California New Car Dealer Association, 1517 L Street, Sacramento CA



*Requests to add agenda items may be presented under item II.*

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|------------|------|--|-----------|---------------|
| 10:00 a.m. | I.   | Welcome, Call to Order, Antitrust Reminder             | President | <i>Page 3</i> |
|            | II.  | Approval of Agenda of February 20 <sup>th</sup> , 2018 | President |               |
|            | III. | Approval of Minutes of January 16 <sup>th</sup> , 2018 | President | <i>Page 4</i> |

Stephanie called the meeting to order at 10:15 am and reviewed the Antitrust Reminder. Juan moved to approve the agenda, Yolanda seconded. Approval was unanimous. Juan moved to approve the minutes from the January 16<sup>th</sup> meeting, and Pat Burns seconded. Approval was unanimous.

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|------------|-----|------------------|---------------|----------------|
| 10:15 a.m. | IV. | Financial Report | VP of Finance | <i>Page 11</i> |
|------------|-----|------------------|---------------|----------------|
- Close to target on financials. Area of opportunity is growing membership to add revenue. Currently at \$194,390 – about \$6,000 short on projections (equivalent to about 157 members). Note Line Item 6323 – CAHU PAC donation - \$20,000 donation went early as PAC needed it right away. Line Item 6510 – non-budgeted expenses – Juli on board as strategist for communications. First payment to Juli was made. Can close membership gap with symposiums happening at chapter level. Expenses are down compared to last year. Income down \$9,800, but saved \$23,000 to date. Balance sheets – equity is at \$368,382 compared to \$404,000, down based on assets. Motion by Juan to approve the financial reports, Rick seconded. Approved unanimously.

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|------------|----|-------------------------------------|--|----------------|
| 10:45 a.m. | V. | Executive Board Report – Brad Davis |  | <i>Page 18</i> |
|------------|----|-------------------------------------|--|----------------|
- Two major projects for year – revised corporate partnership matrix for flexibility, and obtain demographic data of what members look like and use that to sell more partnerships. Spreadsheet will be distributed to chapters. Will add market options as next dropdown box. Cerrina asked about how dues are paid, Patrick asked about adding in other information, and Brad agreed that we should strengthen database as much as possible. Also want to make sure we can personalize the membership applications. Brad also discussed using Constant Contact to manage corporate partners/metallic sponsors/sponsors to increase information and history. Yolanda mentioned that NAHU is going to roll out a database as well. Also need to be mindful of relationships with chapters and CAHU. Brad motioned that any chapter that completes the spreadsheet by next board meeting gets one CAPSUM registration for free, Patrick seconded. Discussion around cost of giving away 13 registrations and cost, Maggie noted that we can use membership funds. Stephanie called for vote – none opposed, motion carries.

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|------------|----|--------------------|-----------|----------------|
| 11:00 a.m. | V. | President’s Report | President | <i>Page 19</i> |
|------------|----|--------------------|-----------|----------------|
- Stephanie – noted that the proposed P and P and bylaw changes are outlined in the minutes from January. Dave noted that amended qualifications for president elect had to serve on board for full year, SB noted that fiscal policy around per diem changed. SB discussed HOD and that we will be having paper ballots, not emailed out ahead of time. Proposed bylaw changes will be discussed at HOD.

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*Updated: 3/30/2018*



Please note change in Board Meeting schedule – April’s meeting will be at Citrus Heights at SAHU Business Expo. Board will be registered, will have meeting dates for next year.

Representatives from HealthNet will be coming in at end of meeting, and will be hosting happy hour at Firestone afterwards.

Last week Dept of Managed HealthCare invited Stephanie to participate in panel discussion as training for their employees.

Stephanie did overview of NAHU website with board members participating on their laptops.

Patrick, Stephanie and Bruce also reviewed the “Working with the Media” presentation, and asked everyone to take seriously their suggestions on how to work with their local media. Patrick noted that there will be additional training at CapCon.

CapCon updates – Leadership Forum on Sunday (page 18 of agenda packet), Stephanie encouraged everyone to participate, and thanked those that did sign up already. There are awards points for president elects who attend. The Region 8 meeting is now at 4:45 on Monday. Please make sure to attend. HUPAC bowling is on Sunday – please register if you have not registered already. Counts as HUPAC contribution for area. Scavenger hunt on Tuesday – 51 people have registered. 10 teams set up. Dawn reviewed process – one person per team who will have a log on for the app on their phone. Teams bigger than 5 or 6 will be problematic. Room for 5 or 6 onsite, some prep ahead of time so its important to pre-register as much as possible. Dawn will leave registration open until Friday.

11:15 a.m.

VI. Legislative Report

VP of Legislation and Legislative Advocates *Page 20*

Jim started- asked Faith to give update on Select Committee and #MeToo updates in Capitol. Legislature called in to vote on whistleblower bill for Leg staff. Several members have stepped down, Senator Mendoza has sued now for discrimination after being put on leave, although he did introduce bills this session, also seeing scandal expand to female legislators as well. Christina Garcia was recently named as groping staff and lobbyists, and fired one staff person for refusing to play spin the bottle in her hotel room. Uneasiness among legislature, legislation has been introduced to protect staff, heated discusson on both sides of the aisle.

Select Committee met February 5 and 7, has concluded last of scheduled hearings. Stephanie delivered comments at the hearing on February 5, CNA was not present and did not list that hearing on their website. Hearing focused on ERISA and constitutional problems and other barriers. On February 7, CNA had a large rally, Lt Gov Newsom spoke at rally, committee opened 3 additional hearing rooms to accommodate size. Very aggressive in their public comment, upset that SB 562 is still being held at the Assembly desk. CNA focused on Speaker Rendon, although no amendments have been made public. Have seen several new pieces of legislation introduced re: different

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methods to achieve universal coverage primarily through using Medi-Cal to expand coverage to undocumented. Little movement around ballot initiatives. Roadblock Removal Act is one, has not achieved number of signatures required. Democratic convention is this weekend, and will be a very contested convention (progressive vs not as progressive – how blue are you). Jim noted that unions will often use ballot initiatives as bargaining tools.

NAHU Cap Con – Jim noted that leg call this Thursday. First half of call will be tips, and speaking from one voice. Will be inviting all CapCon attendees to call. Talking points will not be out until Monday morning at CapCon. Reviewed what Jim thinks will be on talking points. CapSummit is in full organizing phase, are sending out invitations to speakers. Anthony Wright is on that list, as well as others. Bill Review March 6<sup>th</sup>. Need RSVP's for final head count. Kimi reviewed the list of RSVPs. Faith is reviewing bills that were introduced – over 1500 new bills introduced by February 16 deadline. Jim also reviewed changes to bill review form. Thanked Juli for Healthcare Update. Jim noted that Senator Lara introduced SB 974 – expands MediCal to undocumented. Jim asked if we could start discussion – frame of reference – lesser of two evils. Focus is on 3 million uninsured. 2.4 of those are undocumented adults. Rest are some who refuse insurance, or have other issues. About 300,000 of those 2.4 million are not enrolled in anything – rest are using Medi-Cal in some form. Will be discussed at Bill Review, will likely be a priority bill. SB 562 likely may not happen, so thought is whether we can head off single payer by supporting alternate options. Jim also mentioned that if chapters are going to do presentations on legislation, please contact Jim for review. Maggie and Yolanda are meeting with Ways & Means while in DC. Please send comments to Maggie & Yolanda.

SB noted that CAHU is going to be putting new publication together – please take pictures, send brief caption to Dawn.

12:00 p.m. NAHU Leadership Modules were reviewed in detail.

12:15 p.m. VIII. Executive Board Reports Executive Board  
DFJ – no report, Strategic Planning will be held at end of National Conference. Plan to spend another day in Kansas City.

Nominations Committee Report *Page 40*  
Nominations report – addition of Yolanda Webb for Professional Development. Rick reviewed report as it was published in the agenda. Rick asked that chapters nominate people, contested races would be ideal. Finance, Corp Relations and Public Affairs have no current nominations. Chapters can nominate 3 individuals. Deadline for nominations is April 9<sup>th</sup>.

Patrick – update on Foundation. 4 parts to foundation – 1) education of agents, 2) bring new people in through internships, scholarships, mid career transition, 3) developing white papers & polling, 4) educating consumers. Kickoff Gala at Fairmont Del Mar, \$1500 per couple. Some chapters have set aside funds to send people to

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event (not hotel stay but dinner only) – Patrick asked each chapter to support foundation by sending individuals, donating funds or selling raffle tickets. Will be talking about what CAHU does for a brief portion during dinner.

Dawn – Communications Report – Press Hit link on website – please use. March 23 is next CAHU Forum – need nominations from chapters. Picture, why they are being nominated, linked in profile, etc. Website – member login feature is more complicated than just launching it. Also working on templates to use in Constant Contact, but table of contents is no longer available in Constant Contact. If anyone has any questions – please ask Dawn.

#### PAC Report

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Cerrina – PAC performance is getting better, but is still a long ways off of where it needs to be. Some folks do more than their fair share, and some people do all that they can afford to do. As chapters, average contribution percentage is 8%. Some chapters are performing higher than baseline, SD, GG, IE, NV, SB, SV. Balance of chapters are not performing at 8%. Leaves room for improvement at the local level. Which chapters participate in monthly calls – GG, LA, OC, SD, SV (last month). Other chapters did not have representation. HUPAC is looking for an additional 2%, CA has statewide contest as well that closes May 11. If chapters have funds they are planning on allocating at CapSum, please let Cerrina know. CE course on how PACs get funded is on the CAHU website. New website will happen for the PAC and should have electronic contribution ability. Bobbi asked if CAHU has looked at doing a phone campaign – easier to keep existing donors than get new ones. Bruce – why do we not have local chairs reach out and do the outreach. Cerrina is working on a FAQ to help chapters be able to easily communicate the PAC and its purpose. Bruce asked if there is a reminder system in place – there is not. Neil asked if there could be a PAC check box on the membership application (NAHU will not).

#### Membership Report

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SD has 13 new members. LA and OC got knocked off #1 spot by Metro Detroit. Maggie said we need at least 20 new members to be competitive. CA is still leading new members total, but would be better if chapter positions showed that. Also hurting in retention – most awards are based on new members and retention. SAHU does a great job with prizes for folks who keep the most or recruit the most. Down 3 from last month. But overall year down 133 (Zenefits). Keep working to work billed not paid and lapsed list. Not just getting members in, but having programs that attract and engage members. Good participation from those who attend Membership meetings, NCAHU and NVAHU have challenges, but other chapters are not attending and Maggie will be calling Chapter Presidents. Did get permission to extend \$50 to a few chapters. Will be another campaign coming. Detroit has members who will not do business with people who are not in NAHU. Different market here – need to focus on positive aspects. Many carriers are refusing to pay, so need to sell the importance of membership. Need to get agents involved to engage carriers and reps. Rick noted that how you address that is based on market and on personal choice.

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Maggie would prefer to not take a pay or play approach...focus on value. Patrick noted that we have done well, and rest of country has done poorly. NAHU has dropped from 24,000 to 17,000. Fairly significant membership hike likely coming. Discussion around relationships between CAHU/Chapters, GA's, and others. Jim asked how many of our losses are due to other associations saying what folks wanted to hear, in San Diego- have choices of GA, made personal choice to work with those who support CAHU, and important to focus on value to members. Maggie said that with increasing retirements and agencies consolidating, need to think outside the box. Korey noted that she can sometimes promote events at carriers, maybe reach out to carrier reps to target when to use those relationships. Rick said that the way we look for money and members has to change. Mentality has to change as far as more traditional ways to recruit. This should be a permanent ad hoc committee to focus on future of organization. Need to extend thinking more than in the past. Bruce noted that there has been a gradual reduction over the years in commissions, etc. Need to look for a way to recruit millennials. Dawn noted that we also need to change how we speak about industry. Helen noted that there was a speaker at last leadership event who talked about generational differences and how different generations volunteer, etc.

Public Affairs – “Speaking with One Voice”

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Bruce – Public Affairs Management Team (PAMT) – meets every two weeks, talk about what is happening in CA and at Federal level. Jim gives Leg Council report, integrate everything in communications – Juli is on call and has authored the Healthcare Update. Purpose is to make sure everyone is on the same page. Speaking with One Voice document is in agenda packet. Will be posted on website along with other rearranging of website.

PAMT report – brought Juli on board @ \$2,000 a month for three months to do Healthcare Update and other writing. Need to do some re-structuring at this point – have some breathing room legislatively, but the writing portion is not as necessary at this point. But will need someone to do paid research, all board members have jobs/responsibilities in addition to CAHU work. Will not be continuing with Juli until a succinct strategic plan can be worked through. Will revisit this in the future. No motion necessary since contract was only three months and the board is not renewing.

Dues Increase – have not had one in the last ten years at least. Bruce's write up is included in board packet. CAHU is under some financial pressure in current environment, and would like to have funds to earmark for strategic plan issues. Bruce motioned to have dues increase of \$60 per year to take to HOD for vote. Helen seconded. Patrick thinks a dues increase at CAHU is necessary and warranted. Clearly CAHU is at a crossroads, extra money may be significant, but it is also not an inappropriate time to reach out to members to sell the dues increase, and to talk about what else is going on with CAHU. Bruce noted that message management is important – as long as money is going to be spent well it will likely be okay. Yolanda pointed out that it is not so much existing members, it's the increase that brings it to \$50 a month (in total for monthly payments), will have a big impact on Medicare world – more complicated. Trying to raise membership, how we get there has to be

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strategic. Bruce suggested that running association like we run our businesses would look different – are we being productive with what we have? Medicare market is important. Korey noted that it is sometimes hard to sell value and that its going to be harder with a dues increase. Understands need. Maggie said that while lots of chapters will be able to sell it, others will have a more difficult time. Chapters have to make sure that there is value – fight on single payer is important, but need to have strong value message. Talked on membership call – what about sliding scale for time in industry. Bobbi stated she had no issue with dollar amount, but needs to have information on the wins that CAHU has had – what is this money for? Feels like we are constantly asking for money and need to clearly state what the value will be, and what the funds are for. Rick agreed, the board can see need but carrying to membership is harder. In order to grow, need more services to be most effective. Board needs to work together to craft message that will be acceptable to the members. Rick said that the earmark should be in the motion or it will leak into general fund. Discussion followed about fee breakdown and what other associations charge for membership. Dave Fear Junior noted that at NAFA, membershi is \$647 per year, Realtors Association is upwards of \$600, CPA national association only \$455, National Professional Insurance Agents charge \$465-865 (sliding on size of office). Also pointed out that CAHU is okay financially – how do we justify an increase when we are in the black. Helen suggested should look at scholarship, etc for newly licensed. Patrick asked if CAHU could do a refund at end of year if new members meet certain requirements. Jim noted that SDAHU does \$100 cash on the spot to new members and that seems effective. Sue noted that this might be an area for new members and that Vanguard council could be part of that. Sue said that this was her first year on board and felt it would be helpful to explain where the money goes, that the organization is using the money well. Regular members don't know where the money goes and what it does. Neil asked if the Board has re-examined expenditures to see if there is money to be moved and used that way. Juan said that is looked at it during strategic planning – tries to tighten up expenses every year. Not just the budget but is it a working budget that we can re-examine? Juan said that CAHU has done austerity program as much as possible. Would be ideal to have that communicated to membership. Michael noted that overall it would be a 20% hike which may accelerate rate of people dropping. Will lose members so that impact needs to be accounted for. Jim asked about adjusting for CPI? Motion passed, (5 against).

Stephanie asked for volunteers to be on committee to determine presentation to House of Delegates:, Sue, Korey Maggie, Yolanda, Rick, Dawn, Cerrina, Patrick, Dave Fear Jr, all volunteered.

Bruce moved and Rick seconded to have funds go to expansion services but not to general operating fund. Motion passed by consent.

1:15 p.m.

IX. Task Force Updates

Pat – Awards Update – awards based on net member by 12/31, Kimi getting to Pat some documents (D&O and 990), LPRT list is updated on the website, and work on Triple Crown. Pat will send template to Kimi.

Korey- Vanguard will be at Coin Op again.

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- 1:30 p.m. X. Chapter Reports & Roundtable Discussion (led by Jim) Chapter Presidents  
Local Chapter Updates
- VCAHU – Chili Cookoff March 15 and adding CE course.
  - GGAHU – did NAHU Live Webinar, and did simple business planning CE. Building some momentum into Sales Expo, and doing NAHU Certification at end of April. Getting new folks coming to member meetings
  - SVAHU – Expo coming up
  - SAHU – Annual Crab Feed, Business Expo coming up in April, looking at program for live marketing, Golf tournament in May before CapSum
  - IEAHU – meeting with Assemblymember Rodriguez to talk about SB 974, and also about Town Hall meetings. Symposium in March – top 5 partnerships filled @ \$50,000. Digital media – partner can do video and stream it on Facebook, websites, etc. Golf tournament in May.
  - OCAHU – this week is Business Development summit, looking forward to 350 brokers, annual golf tournament proceeds to Cystic Fibrosis foundation (last year raised \$30,000). May is Consumer Education day, June is Women in Business (500 participants), Medicare summit Aug 22/23.
  - LAAHU – Health insurance awareness day, February meeting with legal updates, March 15 meeting will focus on active shooter awareness training, CE pending, April annual conference (Field Day). Offering HR certified courses, partnering with the Professionals in Human Resources Association (PIHRA). CapCon in DC – 15 LAAHU members attending.
  - SDAHU – Expo had about 400 people there, added 13 new members. Friday will be PAC event at brewery with a cornhole tournament.
  - NCAHU – first meeting in March. (Rick reported)

2:30 p.m. XI. Old Business President

2:45 p.m. XII. New Business President

- i. Dues Increase (covered under Bruce’s report)
- ii. Scott Kranzel, Health Net
  - a. Dick Manning & Scott Kranzel

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3:00 p.m. XIII. Adjourn Juan moved, Dave Fear Jr Seconded, adjourned at 2:50 pm

**2017-2018 Board Meetings & Events:**

Month	Date	Start	End	Location	
Feb	20	10am	3pm	Board Meeting: CA New Car Dealers Assn (Northern - Sacramento)	Legislative Issues
March	20	10am	3pm	Board Meeting: Dickerson Employee Benefits (Southern)	General Fundraising

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April	17	10am	3pm	Board Meeting: SAHU Business Development Expo, 6300 Fountain Square Drive, Citrus Heights	Professional Development Ideas
May	21	1pm	5pm	Board Meeting: Sheraton Grand Hotel, Sacramento (Northern)	PAC Fundraising
May	22	8am	5pm	Capitol Summit & Expo Sheraton Grand Hotel, Sacramento	
May	23	8am	12pm	Capitol Summit & Expo Sheraton Grand Hotel, Sacramento	
June	19	10am	3pm	Board Meeting - Tsakopoulos Library Galleria (Northern-Sacramento)	Social Media Engagement
July	17	10 am	3 pm	Board Meeting – Oakland Medical Center, 3600 Broadway, Oakland	

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## AGENDA

**Meeting Description:** CAHU Board of Directors

**Date and Time:** March 20th, 2018 – 10:00 a.m. – 3:00 p.m.

**Location:** Dickerson Insurance, 1918 Riverside Drive, Los Angeles CA



*Requests to add agenda items may be presented under item II.*

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|------|--|--|----------------|
| I.   | Welcome, Call to Order at 10:02 am<br>Antitrust Reminder Reviewed  | President                                      | <i>Page 3</i>  |
| II.  | Approval of Agenda of March 20 <sup>th</sup> , 2018<br>Approval moved by Maggie Stedt, Yolanda Webb Seconded, Approved by consent  | President                                      |                |
| III. | Approval of Minutes of February 20 <sup>th</sup> , 2018<br>Rick Coburn moved approval, Juan Lopez seonded, approved by consent   | President                                      | <i>Page 4</i>  |
| VI.  | Legislative Report   | VP of Legislation and<br>Legislative Advocates | <i>Handout</i> |
|      | <ul style="list-style-type: none"><li>• NAHU DC trip went well, covered several issues with legislators, particularly role of the agent and making sure legislators and staff are aware. Have some follow up to do with areas that didn't record meetings.</li><li>• Faith updated board – attended meeting at Department of Insurance to discuss several topics, expect increases late 2018 or early 2019 for assessments, new legislation that requires the Department to pay down pension liabilities.</li><li>• Adam and Jim have been working on Cap Summit, are in planning stages, focus is on speaker ideas right now. Janet Trautwein committed to speak on Tuesday morning. Legislator of the year – Leg council nominated California State Senator Janet Nguyen (34<sup>th</sup> District). She took a number of CAHU talking points and used them on the floor during hearings over the past year, and also sent an opinion letter that CAHU helped with. Juan moved to approve Senator Nguyen as CAHU Legislator of the Year, Yolanda seconded. Unanimous approval. Sue Wakamoto Lee will be singing national anthem at the Cap Summit. Sean asked whether CAHU is doing anything for first time attendees, not yet discussed by planning committee. Dawn asked about interns coming for free, board agreed that interns could attend for free. Kimi asked that anyone registering an intern please let her know if the intern was under 21.</li><li>• Update on changes in the Senate/Assembly (Faith): Sen Glazer is new committee chair, Toni Atkins is new Senate pro tempore. No change to health care committee, this is Dr. Hernandez's last year, may be Connie Leyva coming in as chair, but the committee is very political. Dr. Pan is new chair of Labor, Bradford moved over to Banking.</li><li>• Bill Review – Brad testified on SB 910 last week. Faith reviewed the levels of support and opposition and what each level meant. Jim reviewed the bills and the board voted on each bill's position (see Bill Review Notes as addendum to minutes).</li></ul> |  |                |
| V.   | President's Report   | President                                      | <i>Page 12</i> |
|      | <ul style="list-style-type: none"><li>• Stephanie discussed incident at Region 8. Memo to NAHU shared with board, letter to Anthony Halby was shared, NAHU will be taking the same action in regards to national</li></ul>   |  |                |

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*Updated: 3/30/2018*

events. Craig motioned to approve the letter, Juan seconded, ayes carry. No opposition.

- April Board meeting – reminder that it is at the SAHU Business Expo – Kimi will send out Expo agenda to board. Lunch with SAHU, will make time in agenda to participate in Expo. Dave Fear Jr noted that if chapters had events, that board would try and coordinate meetings for the next year.
- Kansas City (NAHU Annual Convention) - Strategic planning at end of Annual Convention, Convention schedule now begins on Saturday.
- Nominations close April 9<sup>th</sup> for CAHU Executive Board.
- Annual Report is posted on website.
- Member survey went out today via email. Survey will close on March 29. The multiple choice survey will take the temperature of the membership on various topics ranging from CE development to political issues.

IV. Financial Report VP of Finance *Page 15*

- 8 months through year – about 63.6% so far, slightly behind for income. Membership should be higher – 13% behind where we should be which is about 198 members. Overall numbers are very positive. 6580.001 (printing) – printed more than budgeted for HCR. Other line items of note – Vanguard – spent more on food and beverage, but had more registrations so it offset. Net profit YTD – running positive \$51,000. Income statement comparisons - \$824 lower than last year YTD. Operating profits Year to Year – spending less this year than last year at this time. Equity is off by about \$20,000 year to year comparison. Motion to accept financials - Juan, Adam second, no discussion, ayes carry, no opposition.
- Jim asked if the budget could be increased for speakers at CapSum. Increase to \$7,000, Jim moved, Patrick seconded, Line item 6687 (Cap Summit Speaker Budget). Call for vote: ayes carry, no opposition.
- Bruce noted that CAHU board is not comped for Capitol Summit & Health Care Summit, but chapter presidents are paid for by the chapters. Motioned to comp executive board member registrations for Health Care Summit and Cap Sum for this year and ongoing, Dawn seconded. Stephanie noted that past presidents are already comped. Dawn noted that rewarding volunteers is important. Cerrina said that the rate is already discounted, and the CAHU Executive Board members have a travel budget in place for national events, and that taking away from the budget to do this didn't seem necessary. Jim noted that the reduction in fees would have a budgetary impact. Call for vote: 3 abstentions, 1 oppose, 10 ayes.
- Clarification – Patrick moved to change P&P (1015) for free entry to CAHU events, Bruce seconded. Call for vote – ayes carry.
- Patrick noted that PAC currently has plan to spend 100% of their budget for the PAC. If chapter is planning on making donation at Cap Sum, please let Cerrina know what that amount will be.

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- VIII. Executive Board Reports Executive Board
- Nominations Committee Report* Page 22
- Nominations reviewed by Rick. If committee get a official nomination at this point, information will be shared with all chapters and board.
  - Dave Fear Jr noted that the Health Care Summit will be in San Diego, beginning of August.
- Corporate Relations Report (read by Stephanie Berger)* Page 23
- PAC Report (Local Chapters)* Page 24
- Cerrina noted that the need for additional PAC funds is important. PAC reception at Capitol Summit is at Punchbowl in Sacramento. 5:30 start, fee to attend is TBD. Sue mentioned that she and Linda Rose Koehler went to a event for their local legislator, and that it was very productive. Cerrina reminded everyone to keep promoting PAC at local chapter meetings.
- Membership/Sponsor Report* Page 25
- Maggie reported that membership is down, biggest issues is lapses. NAHU will be releasing a new campaign for new members, or anyone who is lapsed, etc. Will be called "Spring into Action". New form to request \$50 per person at events (excluding regular chapter meetings) that fall outside of contest times. Form will be released soon, will need to send in list of new members and all applications. Membership has competition going – January 1 – April 30 – will have \$100 See's candy gift certificates for new members. Chapters will be divided into categories - under 100 members, 101-200, over 201 members – ranked on percentage of increase of total new members. Snapshot of membership on December 2017 report to April 2018 using CAHU numbers through ecommerce. Award will be presented at Cap Summit. Maggie reminded chapter presidents that they need to have people on the calls.
  - Communications Report – CapSum emails are biweekly, have 54 registered to date. Forum will go out within the next few days, reminder to submit member information for member spotlight. Committee – will do social media campaign to coincide with CapSum. Focus on educating members on the terms. Yolanda has stepped up to be media monitor. Dawn suggested that educating members be expanded – reaching out at least quarterly with webinars about what is happening legislatively as well as in other areas. Discussion about using multiple vehicles to communicate information, legislative process, etc. Committee – Jim, Adam, DFJ and Dawn for video preview to CapSum (Faith as well) and do webinar to educate people about environment in the Capitol and a legislative update.
  - Patrick noted that the Foundation Gala will be moved to September. Will have a summary of Foundation for next board meeting. Have one sponsor to date.
  - Bruce reported on Public Affairs – a lot has been accomplished, and Brad Davis has expressed desire to chair that committee next year. Priorities shift as events happen both legislatively and in other areas. Will be presenting dues

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increase at HOD, need assistance with documenting what dues go to pay for, and what happens at CAHU level. Need to present why CA needs to raise dues, and what will happen with that money. Will have it next month to present. Creation of a "Think Tank" has shifted to creation of a white paper of credible talking points for members to use with legislators. Use to elevate credibility and to streamline the message. Also need to use constituents to advocate for the importance of agents.

IX. Task Force Updates

- Award update: CAHU received Gold Certification. 100% Board recruitment – need to make sure all new members are linked to existing members. Also need to track donations to the NAHU Education Foundation. Send documentation to Pat. Also – any times there have been meetings with other partners, should have documentation. Any NAHU Certification courses or participation in NAHU Live, please send to Pat. Any media with chapters or CAHU, should be sent to Maggie as well.
- Vanguard report: event planned for CoinOp at CapSummit, on Monday night following board meeting. Dawn gave a recap of Vanguard event while at NAHU in DC – event went well and all the participants had a lot of fun.
- Medicare report: Craig offered to roll out a workshop that can do a medicare CE during a lunch meeting – easy to do.

X. Chapter Reports

Chapter Presidents

- SDAHU (SB) – cornhole tournament last month, have great participation, brought in \$6,000 for chapter.
- CCAHU – pushed back crab feed to April, doing educational event, trying to get a larger crowd to CapSum this year. Working on getting board solidified for next year.
- VCAHU – chili cookoff, Jolene committed to being president elect for 18-19.
- SAHU – Expo coming up in April,
- LAAHU – received Platinum certification, had active shooter presentation at last meeting, Field Day event in April.
- SVAHU – had symposium last week, went well. Golf tournament in May (John Bobincheck Memorial tournament).
- NVAHU – Annual symposium coming up on April 20, April 19 will be golf if anyone is interested. Trying to keep chapter together and running.
- OCAHU – just had its annual symposium, did 4-7 CE's, got 20 new members. April is golf tournament – all proceeds to go to cystic fibrosis.
- IEAHU – just finished symposium. Had 4 hour ethics class, attended by 125 people. Got 9 new members, and then 3 more, so 12 for March so far. Golf tournament in May.
- GGAHU – Compliance seminar this week, April 5<sup>th</sup> NAHU Certification for advanced self funding. April 26<sup>th</sup> is sales symposium. Chapter achieved Gold Certification.
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XI. Old Business

President

XII. New Business

President

Rick – Resolution of commendation for Faith and Kimi. Faiths presentations are outstanding. Kimi’s minutes are helpful to the board and detailed. Outstanding service from Cal Ad.

XIII. Adjourn 2:30 – Juan motioned to adjourn, Craig seconded.

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