



Dear California Reporters, Editors and Producers,

As Executive Vice President of Genesis Financial & Insurance Services (Encino, CA), I'd like to take this opportunity to introduce myself. I've been in the health insurance industry for 35 years and am active on the Executive Board for the California Association of Health Underwriters, serving as Vice President of Public Affairs. I am also a past national association president.

In this capacity, I stay abreast of health care reform implementation and insurance-related issues, trends and concerns. Furthermore, as a liaison between the insurance carriers, the employer and the consumer, I can offer insight and a unique perspective into the concerns related to health coverage.

I would be pleased to serve as a resource for you or any of your colleagues as you are developing stories on health care policy and insurance issues.

Some of the topics I am knowledgeable about include:

- Healthcare reform implementation
- Federally facilities exchange
- State exchange enrollment and subsidies
- Individual coverage through the exchange
- Employer-based employee benefits
- Role of health insurance agents and brokers
- Effects on local businesses and employer coverage
- Containing health care costs
- Preserving Medicare

Please do not hesitate to contact me if a background briefing would be helpful or if you are working on a specific story.

Sincerely,

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California Association of Health Underwriters  
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CAHU works closely with legislators and government agencies at both the state and federal level by educating our government leaders about the healthcare delivery system and the vital role of a professional agent as a consumer resource and advocate.

We have been instrumental in protecting California consumers through a very dynamic grassroots network that includes organized events and lobbying, as well as in-district activities with our elected legislators. We also work diligently with Covered California to ensure the best possible outcomes for Californians, and their leadership frequently cites our input and impact.

We also strive to serve as a valuable resource to journalists and the media. By providing timely, accurate, and useful information and analysis regarding a variety of issues and questions related to the healthcare delivery system, we help the media to inform and educate the public regarding health care reform, industry trends, legislative affairs, and a variety of related subject matter.

CAHU has a dynamic and impactful legislative program.

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# CALIFORNIA ASSOCIATION OF HEALTH UNDERWRITERS

## TOP PRIORITY BILL STATUS REPORT

### JULY 20, 2017

BILL/AUTHOR	SUBJECT	POSITION	DESCRIPTION	STATUS
<a href="#">AB 156</a> ( <a href="#">Wood D</a> )	Individual market: single risk pool: index rate	WATCH: PENDING AMENDMENT	CAHU is closely watching AB 156 for amendments. AB 156, which is currently a spot bill, is very likely to become a prime vehicle for IFP health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. Identical to SB 133.	<b>PASSED SENATE HEALTH</b>  <b>To SENATE FLOOR</b> <b>7/20/2017</b>
<a href="#">AB 157</a> ( <a href="#">Wood D</a> )	Small group market: single risk pool: index rate	WATCH: PENDING AMENDMENT	CAHU is closely watching AB 157 for amendments. AB 157, which is currently a spot bill, is likely to become a prime vehicle for small group health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. Identical to SB 134.	<b>PASSED SENATE HEALTH</b>  <b>To SENATE FLOOR</b> <b>7/20/2017</b>
<a href="#">AB 251</a> ( <a href="#">Bonta D</a> )	Health and care facilities	WATCH	This bill has been gut and amended and now will require dialysis clinics to spend at least 85% of their treatment revenue on direct patient care, quality improvements, taxes, and licensure fees. Clinics that do not meet the 85% requirement will be required to issue refunds to private payers and individuals who purchase dialysis services.  Previously, CAHU SUPPORTED AB 251 which would ensure health care consumers are afforded better access to specialty clinics throughout California.	<b>PASSED SENATE HEALTH</b>  <b>To SENATE Appropriations</b>  <b>HEARING:</b> <b>8/21/17</b>

BILL/AUTHOR	SUBJECT	POSITION	DESCRIPTION	STATUS
<a href="#">AB 417</a> ( <a href="#">Wood D</a> )	Health coverage: small employers	WATCH: PENDING AMENDMENT	CAHU is watching AB 417 for amendments. AB 417, which is currently a spot bill, is very likely to become a prime vehicle for small group health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months.	<b>To SENATE Appropriations</b>  <b>HEARING: 8/21/17</b>
<a href="#">AB 595</a> ( <a href="#">Wood D</a> )	Health Insurers: Mergers And Acquisitions	WATCH: PENDING AMENDMENT	CAHU is tracking AB 595 regarding health care service plan acquisitions and mergers. CAHU believes that it is necessary to ensure affordable choices for health care consumers that are only available through a competitive health insurance marketplace.	<b>HELD on ASSEMBLY Appropriations SUSPENSE FILE 5/26/17</b>  <b>TWO YEAR BILL</b>
<a href="#">AB 989</a> ( <a href="#">Cooper D</a> ) and ( <a href="#">Obernolte R</a> )	Health Savings Accounts: Tax Conformity	SUPPORT	CAHU is working in tandem with NAIFA California and IIABCal to SUPPORT AB 989 which would conform state and federal tax laws pertaining to health savings accounts (HSAs) in order to provide needed savings to public and private sector employees and employers. Health Savings Accounts allow individuals to save tax-free dollars to pay for near-term medical expenses and also save for future longer-term costs, in particular, medical care costs that occur after retirement.	<b>HELD on ASSEMBLY Appropriations SUSPENSE FILE 5/26/17</b>
<a href="#">AB 1584</a> ( <a href="#">Gonzalez Fletcher D</a> )	Insurance: production agents: license examination: contracts	OPPOSE UNLESS AMEND	CAHU OPPOSES AB 1584 unless amended which attempts to mandate agents who take the license examination in Spanish to provide all contracts, policies, certificates, riders, and any other required notices in Spanish, if Spanish was principally used in the negotiation of the contract. The mandate would be more appropriately placed on health plans and carriers who are the source of all documents listed in the bill.	<b>ASSEMBLY INSURANCE</b>  <b>TWO YEAR BILL 5/12/2017</b>

BILL/AUTHOR	SUBJECT	POSITION	DESCRIPTION	STATUS
<a href="#">AB 1601</a> ( <a href="#">Bloom D</a> )	New Mandate: Hearing aids: minors	<b>OPPOSE UNLESS AMEND</b>	CAHU OPPOSES AB 1601 that mandates all health plans provide coverage for hearing devices for those under 18 years of age unless amended to include reasonable cost controls.	<b>HELD on ASSEMBLY Appropriations SUSPENSE FILE 5/26/17</b>  <b>TWO YEAR BILL</b>
<a href="#">SB 17</a> ( <a href="#">Hernandez D</a> )	Health care: prescription drug costs.	<b>SUPPORT</b>	CAHU supports SB 17 that seeks to improve transparency of prescription drug costs by requiring health care service plans and carriers that report rate information to also include information regarding the percentage of the premium dollar spent on prescription drugs. This bill also requires drug manufacturers to provide prior notice of rate increases for prescription drugs, as specified.	<b>ASSEMBLY Appr opriations COMMITTEE</b>  <b>HEARING: NOT SCHEDULED</b>
<a href="#">SB 133</a> ( <a href="#">Hernandez D</a> )	Individual market: single risk pool: index rate.	<b>WATCH: PENDING AMENDMENT</b>	CAHU is closely watching SB 133 for amendments. SB 133, which is currently a spot bill, is very likely to become a prime vehicle for IFP health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. Identical to AB 156.	<b>ASSEMBLY FLOOR</b>  <b>NOTICE OF INTENTION TO REMOVE FROM INACTIVE FILE</b>
<a href="#">SB 134</a> ( <a href="#">Hernandez D</a> )	Small group market: single risk pool: index rate.	<b>WATCH: PENDING AMENDMENT</b>	CAHU is closely watching SB 134 for amendments. SB 134, which is currently a spot bill, is very likely to become a prime vehicle for small group health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. Identical to AB 157.	<b>ASSEMBLY FLOOR</b>  <b>CONSENT CALENDAR</b>  <b>ORDERED TO INACTIVE FILE</b>
<a href="#">SB 172</a> ( <a href="#">Portantino D</a> )	Health Care Coverage: Fertility Preservation	<b>OPPOSE</b>	CAHU OPPOSES SB 172 that increases the cost of health care by mandating all new individual or group health insurance policies issued, amended, or renewed on and after January 1, 2018, provide fertility preservation coverage for any and all situations, direct or indirect, where fertility may be impacted.	<b>HELD on SENATE Appropriations SUSPENSE FILE</b>  <b>2 YEAR BILL 5/25/2017</b>

BILL/AUTHOR	SUBJECT	POSITION	DESCRIPTION	STATUS
<a href="#">SB 199</a> ( <a href="#">Hernandez D</a> )	Advisory Committee: Health Care Cost, Quality and Equity Atlas	NEUTRAL	As amended, CAHU no longer opposes SB 199 and is now NEUTRAL on the bill. SB 199 now calls for DMHC to convene a broad spectrum of health care stakeholders and experts, to identify the type of data, purpose of use, and entities and individuals that are required to report to, or that may have access to, a health care cost, quality, and equity atlas.	<b>ASSEMBLY Appropriations SUSPENSE FILE</b>  <b>HEARING: NOT SCHEDULED</b>
<a href="#">SB 288</a> ( <a href="#">Hernandez D</a> )	Health coverage: small employers.	<b>WATCH: PENDING AMENDMENT</b>	CAHU is closely monitoring SB 288 for amendments. SB 288, which is currently a spot bill, is very likely to become a prime vehicle for small group health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. Identical to AB 417.	<b>ASSEMBLY FLOOR</b>  <b>ASSEMBLY CONSENT CALENDAR</b>
<a href="#">SB 515</a> ( <a href="#">Fuller R</a> )	Health care coverage: individual market.	WATCH	CAHU is closely watching SB 515 for amendments. SB 515, which is currently a spot bill, is very likely to become a prime vehicle for individual and family plan health care reforms that will be added in reaction to changes made at the federal level in the coming weeks and months. Identical to AB 156.	<b>SENATE RULES</b>  <b>2 YEAR BILL 5/12/2017</b>
<a href="#">SB 562</a> ( <a href="#">Lara D</a> )	Universal Single Payer Health System	OPPOSE	CAHU is working with NAIFA California and IIABCaI to OPPOSE SB 562 (Lara/Atkins) which seeks to replace California's healthcare marketplace with a universal Single Payer system that would reduce competition, limit options for consumers, raise costs, and threaten access to care.	<b>Passed SENATE FLOOR 6/1/17</b>  <b>HELD AT ASSEMBLY DESK -PER SPEAKER RENDON</b>
<a href="#">SB 640</a> ( <a href="#">Hertzberg D</a> )	New Tax: Services	OPPOSE	CAHU OPPOSES SB 640, which proposes to establish a first-time sales tax on services, including services provided by independent health insurance agents.	<b>SENATE GOVERNANCE &amp; FINANCE 3/2/2017</b>  <b>2-YEAR BILL</b>

BILL/AUTHOR	SUBJECT	POSITION	DESCRIPTION	STATUS
<a href="#">SB 788</a> ( <a href="#">Lara D</a> )	Insurance: licensing: requirements	SUPPORT	In a coalition with other insurance affiliates including NAIFA and IIABCaI, CAHU SUPPORTS SB 788, which would require the Insurance Commissioner to allow individuals who are applying for or renewing an insurance license to use an Individual Tax Identification Number (ITIN).	<b>PASSED</b> <b>ASSEMBLY</b> <b>INSURANCE</b>  <b>To ASSEMBLY</b> <b>Appropriations</b>  <b>HEARING: NOT</b> <b>SCHEDULED</b>



# Why Use an Agent or Broker?

Agents and Brokers Save Consumers and Businesses

**TIME & MONEY**



**2/3** of agents have at least 10 years of industry experience.<sup>1</sup> They are professionally licensed and trained to know the ins and outs of health insurance.



**30%** of brokers in the small-group market spend "most" or "a lot" of their time fighting to resolve claims questions or disputes on their clients' behalf.<sup>2</sup>



**72%** of brokers spend "most" or "a lot" of their time explaining coverage to clients.<sup>3</sup>



Premiums are **13% LOWER** in counties with the greatest concentration of brokers.<sup>4</sup>

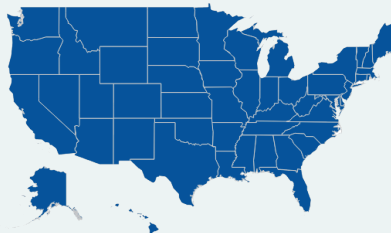


**SATISFACTION = BETTER DEALS**  
**84%** of people shopping for exchange plans found brokers helpful – the highest rating for any group providing assistance.<sup>5</sup>



Brokers perform vital HR functions for small businesses. Small firms are **20%** more likely to offer health benefits in counties with higher concentrations of brokers.<sup>6</sup>

See how brokers have helped people in your state.



Find a broker near you.

**BrokersMakingADifference.org**

<sup>1</sup><https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8321-f.pdf> pg 7

<sup>2</sup><https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8321-f.pdf> pg 7

<sup>3</sup><https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8321-f.pdf> pg 7

<sup>4</sup><http://khn.org/news/brokers-associated-with-more-cheaper-health-coverage-study-says/>

<sup>5</sup><http://hrms.urban.org/briefs/obtaining-information-on-marketplace.html>

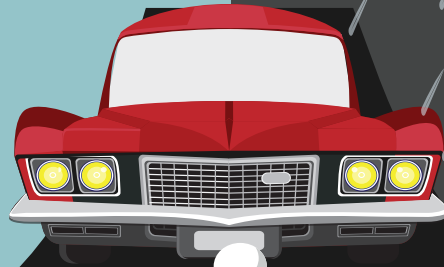
<sup>6</sup><http://khn.org/news/brokers-associated-with-more-cheaper-health-coverage-study-says/>

# Cadillac Tax

EXPECTATIONS VS. REALITY

What's the Cadillac tax?

Starting in 2020, there will be a 40% tax on health insurance plans that cost more than \$10,800 for individuals and \$29,100 for families.<sup>1</sup>



REALITY

EXPECTATIONS

Initially was supposed to affect just **3%** of plans.<sup>2</sup>

How many plans?

Will hit **47%** of plans by 2022.<sup>3</sup> "Over time...virtually every employer will be subject to the Cadillac tax." – Kaiser Family Foundation SVP Larry Levitt<sup>4</sup>

"an excise tax on . . . executives at **Goldman Sachs**" - Senior White House Advisor David Axelrod, 2009.<sup>5</sup>

Who's affected?

The tax will hit a higher percentage of state/local government employers – like **schools** and **police departments** – than finance firms.<sup>6</sup>

Will affect **overly generous**, gold-plated plans.

What type of plans?

In 26 states, the typical plan hit by the tax is equivalent to the **mid-level "Silver"** plans on the ACA's exchanges.<sup>7</sup>

Congressional Budget Office expects that the tax will raise \$91 billion over a decade.<sup>8</sup>

Revenue?

**3/4** of that \$91 billion comes from increased income taxes, on the expectation that employers will compensate for cutting benefits by raising wages.<sup>9</sup>

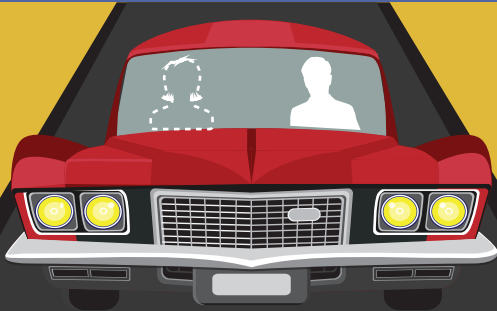
<sup>1</sup> [https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51130-Health\\_Insurance\\_Premiums\\_OneCol.pdf](https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51130-Health_Insurance_Premiums_OneCol.pdf)  
<sup>2</sup> <http://cqrcengage.com/nahu/cadillactax>  
<sup>3</sup> United Benefit Advisors 2015 Health Plan Survey  
<sup>4</sup> <http://www.nbcnews.com/business/consumer/obamacare-cadillac-tax-will-lead-employers-cut-fsas-analysis-n415516>

<sup>5</sup> [http://www.nytimes.com/2009/07/27/health/policy/27insure.html?\\_r=4](http://www.nytimes.com/2009/07/27/health/policy/27insure.html?_r=4)  
<sup>6</sup> <http://inq.sagepub.com/content/48/4/322.long> 12% vs 9%, pg 328  
<sup>7</sup> United Benefit Advisors 2015 Health Plan Survey  
<sup>8</sup> [http://www.fightthe40.com/news/Employee-Benefit-News\\_07292015.pdf](http://www.fightthe40.com/news/Employee-Benefit-News_07292015.pdf)  
<sup>9</sup> [http://www.fightthe40.com/news/Employee-Benefit-News\\_07292015.pdf](http://www.fightthe40.com/news/Employee-Benefit-News_07292015.pdf)

# Cadillac Tax

DESTINATION: FEWER BENEFITS & HIGHER COSTS

EMPLOYERS PLAN TO RAISE COSTS AND REDUCE BENEFITS. ONE IN THREE EMPLOYERS HAS OPTED TO OFFER ONLY HIGH-DEDUCTIBLE PLANS – OR IS CONSIDERING DOING SO.<sup>10</sup>



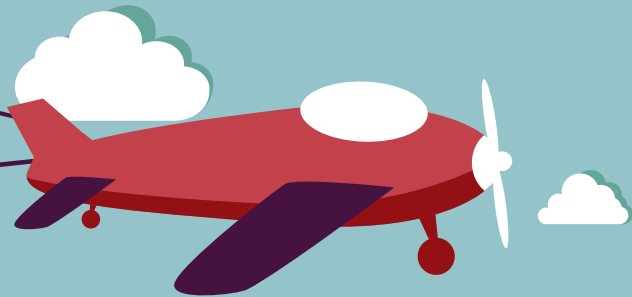
MAJOR EMPLOYERS ARE DROPPING COVERAGE FOR SPOUSES.<sup>11</sup>



HEALTH REIMBURSEMENT ARRANGEMENTS, HEALTH SAVINGS ACCOUNTS AND FLEXIBLE SPENDING ACCOUNTS – WHICH REDUCE HEALTHCARE SPENDING – "WILL LIKELY BE AMONG THE FIRST BENEFITS CUT."<sup>12</sup>

*But even cutting benefits won't help many employers avoid the tax.*

**74%** OF EMPLOYERS WILL BE HIT BY THE TAX BY 2022.<sup>13</sup>



**20%** OF EMPLOYERS SAY THE CADILLAC TAX WILL BE THEIR SINGLE BIGGEST COST DRIVER.<sup>14</sup>



<sup>10</sup><https://www.ifebp.org/aboutus/pressroom/releases/Pages/pr-Employers-Say-2016-Will-Be-Costliest-Year-Yet-for-ACA-Compliance.aspx>

<sup>11</sup><http://www.nbcnews.com/news/other/large-employers-cite-obamacare-cadillac-tax-reducing-benefits-f2D11655467>

<sup>12</sup><http://www.bna.com/employers-may-cut-b57982058830/>

<sup>13</sup>United Benefit Advisors 2015 Health Plan Survey

<sup>14</sup><https://www.ifebp.org/aboutus/pressroom/releases/Pages/pr-Employers-Say-2016-Will-Be-Costliest-Year-Yet-for-ACA-Compliance.aspx>

# Finding Your Way through

## Narrow Networks,

## USA

Hi, I'm your **health insurance agent**. I'll help you find your way through **Narrow Networks, USA**.

Insurers are offering more "narrow-network" plans, which **cover select hospitals and doctors**. In 2015, 90% of consumers could enroll in either a narrow-network plan or one with a broad provider network.<sup>1</sup>

Premiums for narrow-network plans **can be 13-19% lower** than those for plans with broader networks.<sup>2</sup>

An **agent or broker can help find a plan that's best for you**. Over 70% of agents and brokers spend most or a lot of their time explaining coverage options to clients. Half of agents spend most or a lot of their time investigating coverage options for their clients.<sup>6</sup>

Narrow-network plans are **more common in cities**. In 2015, 55% of hospital networks that exchange customers could choose from within major cities were "narrow," compared to 39% nationwide.<sup>5</sup>

In rural states, the closest in-network essential community provider could be **400 miles away**.<sup>4</sup>

In exchange for those savings, a patient may have to accept that his or her **family doctor, preferred specialist, or local hospital might not be in-network**. Out-of-network care can be expensive. Nevertheless, less than one in five people with narrow-network plans have switched to plans with broader networks.<sup>3</sup>

<sup>1</sup> <http://healthcare.mckinsey.com/sites/default/files/2015HospitalNetworks.pdf>  
<sup>2</sup> <http://healthcare.mckinsey.com/sites/default/files/2015HospitalNetworks.pdf>  
<sup>3</sup> <http://healthcare.mckinsey.com/sites/default/files/2015HospitalNetworks.pdf>

<sup>4</sup> [http://www.naic.org/documents/government\\_relations\\_testimony\\_140612\\_lindeen.pdf](http://www.naic.org/documents/government_relations_testimony_140612_lindeen.pdf)  
<sup>5</sup> <http://healthcare.mckinsey.com/sites/default/files/2015HospitalNetworks.pdf>  
<sup>6</sup> <https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8321-f.pdf>

# DON'T RAIN ON THE EMPLOYER-SPONSORED COVERAGE PARADE

The government excludes employer contributions to an employee's health insurance from the employee's income for tax purposes for both parties. This "employer exclusion" encourages businesses to offer health insurance and lowers the employee's taxable income.

Some in Congress want to cap the employer tax exclusion. That could harm millions of workers and their families by reducing their benefits and increasing their taxable income.



## WIDESPREAD COVERAGE

175 million Americans get health insurance through their employers.<sup>1</sup> People with employer-sponsored plans are more likely to maintain health coverage year after year.<sup>2</sup>

## HELPS MOST WORKERS

82 percent of workers are satisfied with their employer-sponsored health insurance.<sup>3</sup> Nearly half say they'd quit if their employer stopped offering benefits.<sup>4</sup>

## SHARED RISK, STABLE PREMIUMS

It's easy for employees and their families to sign up for coverage through work. So an employer's insurance pool contains people of all ages and health backgrounds. That spreads risk – and leads to lower, more stable premiums.

## LESS COVERAGE, LOWER PAY

Workers and employers would pay tax on health plans with premiums above a to-be-determined amount. Employers would respond by cutting benefits, to stay under the tax threshold.

There's no guarantee that employers would increase salaries to replace lost benefits.

## HARMS MANY WORKERS

Because premiums are rising faster than inflation, more and more plans would exceed the tax threshold each year. Ordinary workers, not just those with generous plans, would pay higher taxes and suffer reduced benefits.

As taxes mount, some employers may stop offering insurance altogether.

## HEIGHTENED RISK, HIGHER PREMIUMS

As more employers drop coverage, employees would have to buy insurance on their own.

Older workers would see their premiums spike, since the risk of insuring them would no longer be spread across the entire workforce.

<sup>1</sup><https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-253.pdf> table 1  
<sup>2</sup><http://newsmanager.commpartners.com/nahuw/issues/2016-04-15/index.html>

<sup>3</sup><https://www.accenture.com/us-en/insight-employer-beware-workers-demand-health-coverage>  
<sup>4</sup>[https://www.accenture.com/\\_acnmedia/Accenture/Conversion-Assets/DocCom/Documents/Global/PDF/Dualpub\\_18/Accenture-Chart-Employer-Beware-Impact.pdf#zoom=50](https://www.accenture.com/_acnmedia/Accenture/Conversion-Assets/DocCom/Documents/Global/PDF/Dualpub_18/Accenture-Chart-Employer-Beware-Impact.pdf#zoom=50)

# THE SINGLE-PAYER TORNADO

Government-run, "single-payer" healthcare would:



## Destroy Millions of Jobs

Single-payer systems save money by setting artificially low reimbursement rates for doctors and hospitals – and in many cases, by paying them less than it costs to treat patients. That would drive healthcare providers into bankruptcy and eliminate 11 million U.S. jobs.<sup>1</sup>



## Ration Prescription Drugs

To control costs, a single-payer system would restrict access to advanced medicines. The United Kingdom's National Health Service doesn't cover specialty immunotherapy drugs.<sup>4</sup> Japan's government restricts access to specialty cancer drugs.<sup>5</sup>



## Hike Taxes

A single-payer system would require a new tax on income, on top of all the taxes Americans already pay.<sup>7</sup>



## Force Patients to Wait for Care

Millions of people would languish on wait lists for doctor visits, tests, surgeries, and more. In Canada, the average patient waits more than four months for surgery after receiving a referral from her doctor.<sup>2</sup> The Red Cross has called wait times in the United Kingdom a "humanitarian crisis."<sup>3</sup>



## Restrict Research and Development

Single-payer's price controls would reduce incentives for scientists and companies to develop new medicines. Price controls implemented by foreign countries<sup>1</sup> single-payer systems prevent the creation of three to four new drugs each year, according to the U.S. Department of Commerce.<sup>6</sup>



1 [http://www.realclearpolicy.com/blog/2016/02/11/single-payer\\_sacrifice\\_116\\_million\\_jobs\\_1551.html](http://www.realclearpolicy.com/blog/2016/02/11/single-payer_sacrifice_116_million_jobs_1551.html)

2 <https://www.fraserinstitute.org/studies/waiting-your-turn-wait-times-for-health-care-in-canada-2016>

3 <https://www.theguardian.com/society/2017/jan/06/nhs-faces-humanitarian-crisis-rising-demand-british-red-cross>

4 <https://www.theguardian.com/society/2017/apr/11/gamechanging-cancer-drug-rejected-for-use-on-nhs>

5 <http://asia.nikkei.com/Politics-Economy/Policy-Politics/Japan-eyes-rules-on-use-of-pricey-new-drugs>

6 <http://trade.gov/td/health/DrugPricingStudy.pdf> pg 25

7 [https://www.scribd.com/doc/296831690/Kenneth-Thorpe-s-analysis-of-Bernie-Sanders-s-single-payer-proposal#scribd?content=10079&campaign=Skimbit%20Ltd.&ad\\_group=&keyword=#750noi&source=impactradius&medium=affiliate&irgwc=1](https://www.scribd.com/doc/296831690/Kenneth-Thorpe-s-analysis-of-Bernie-Sanders-s-single-payer-proposal#scribd?content=10079&campaign=Skimbit%20Ltd.&ad_group=&keyword=#750noi&source=impactradius&medium=affiliate&irgwc=1)



# NAHU

## **2015 YEARLY HIGHLIGHTS**

A Look at NAHU Activities from  
January through December

# INTRODUCTION TO NAHU

## WHO ARE WE?

The National Association of Health Underwriters represents more than 100,000 licensed health insurance agents, brokers, general agents, consultants and benefit professionals through more than 200 chapters across America. NAHU members service the health insurance needs of large and small employers as well as people seeking individual health insurance coverage. Every day, NAHU members work to obtain insurance for clients who are struggling to balance their desire to purchase high-quality and comprehensive health coverage with the reality of rapidly escalating medical care costs. As such, one of NAHU's primary goals is to do everything we can to promote access to affordable health insurance coverage.

NAHU members help millions of consumers by guiding them through the complexities of health insurance purchasing and enrollment, while ensuring they get the best policy at the most affordable price. Our members seek to understand each personal situation to create recommendations that complement their clients' financial and medical security needs. And their job does not end with the sale. Our licensed producers help their clients with claims issues, service questions and compliance matters throughout the life of each policy they sell.

## SUPPORTING CHAPTERS

NAHU's mission is to continue to provide its members with the ability to meet the health, financial and retirement security needs of all Americans through education, advocacy and professional development. We are consistently promoting, communicating and reaching out to chapters regarding the availability of new tools, services and information through email, social media, *HIU* magazine and more.

In 2015, the association worked toward our goal of increasing member recruitment with two national membership recruitment campaigns, enhancing our social media presence by launching our social media campaign, promoting the value of agents with our new national radio tour and spreading awareness about the *King v. Burwell* ruling, Cadillac tax repeal, small-group definition and open enrollment to consumers through press hits from local to national top-tier media coverage. NAHU became one of three vendors selected to provide the Centers for Medicare and Medicaid Services (CMS)-approved federally facilitated marketplace (FFM) agent/broker training and was the only agent/broker association that was awarded this honor. NAHU devoted time to help educate our members on industry changes such as the Cadillac tax, small-group expansion, PACE Act and open enrollment by providing professional development resources such as training courses, certifications, tools, guidebooks and webinars.

Social media has proven to be an effective way to interact with our members, articulate our mission and goals, and share important information on the latest legislative developments and healthcare changes that affect agents and brokers. Members can subscribe to our RSS feed to stay up-to-date on NAHU in the News. Our Twitter handle @nahudotorg has more than 6,600 followers, and more than 2,740 people are fans of NAHU on Facebook.





# A YEAR IN REVIEW

## GOVERNMENT AFFAIRS IN WASHINGTON, D.C., AND ACROSS THE UNITED STATES

NAHU staff made quite a few visits to Capitol Hill and government agencies in 2015, lobbying and representing NAHU:

- NAHU staff made 359 visits to Capitol Hill, White House offices and federal agencies to share the association's legislative priorities.
- NAHU staff attended 108 political meetings and 26 federal agency meetings.
- NAHU staff attended 137 fundraisers on behalf of HUPAC.
- NAHU staff attended 16 briefings from inside-the-Beltway groups.
- NAHU staff attended 19 hearings and 116 coalition meetings.

## PAPERS, POLICY DOCUMENTS AND CHARTS

NAHU staff and committees produced the following documents used for legislative and regulatory activities:

- NAHU joined the U.S. Chamber of Commerce and 15 other industry groups in Washington, D.C., to send a letter to Health and Human Services Secretary Sylvia Mathews Burwell asking for a two-year delay on the expansion of the small-group market definition from 50 to 100 employees.
- NAHU supported a letter signed by Representatives Carney (D-DE) and Benishek (R-MI) with over 50 members of Congress expressing their support for a broker hotline, improvements to the search functionality for consumers to find local help as well as the creation of a consumer-protection portal to track and record everybody who assists consumers with their application.
- NAHU submitted comments to the Department of Treasury on Notice 2015-16, Excise Tax on High-Cost Employer-Sponsored Health Coverage.
- NAHU submitted a letter to healthcare.gov CEO Kevin Counihan outlining ongoing requests as well as additional enhancements we would like within the federal exchange.
- NAHU submitted comments on the Equal Employment Opportunity Commission's proposed rule concerning how Title I of the Americans with Disabilities Act affects employer group wellness programs.
- NAHU submitted a comment letter to the Department of Labor about how a proposed rule to expand the definition of a plan fiduciary could impact the group Health Savings Account marketplace and agents and brokers who sell and service HSA products on the group level.
- NAHU submitted a comment letter to the Centers for Medicare and Medicaid Services asking them to permit states and allow licensed agents and brokers to have an active role in marketing, enrolling, and supporting beneficiaries in Medicaid and Children's Health Insurance Program (CHIP) managed care products.
- NAHU submitted a comment letter to the IRS and Treasury Department on the looming excise tax on high cost employer-sponsored health plans.
- NAHU submitted comments to the Department of Health and Human Services on the proposed Notice of Benefit and Payment Parameters for 2017.
- NAHU developed new FAQs to the Compliance Corner library.
- NAHU provided more than 3,200 written responses to compliance questions.
- NAHU hosted 17 Compliance Corner webinars.
- NAHU created a new semi-monthly blog, Compliance Cornered, for members and consumers to obtain access to many health reform implementation questions and compliance concerns.
- NAHU created a new Compliance Corner white paper, "Spousal Exclusions and Surcharges – Considerations and Caveats."

## COMMENTS AND TESTIMONY

- Past NAHU President Tom Harte testified before the Senate Health, Education, Labor, and Pensions (HELP) subcommittee on Primary Health and Retirement Security in a roundtable hearing to discuss challenges and opportunities with healthcare for small businesses.

## GRASSROOTS EFFORTS

One of our greatest assets is our voice on important issues of the day. This year, we transitioned to our new grassroots platform and stand-alone Operation Shout website. We significantly amplified our collective voice with more than 9,600 members taking action and sending over 70,000 messages to legislators over the course of the year.

## TRAVEL TO NAHU CHAPTERS AND INDUSTRY GROUPS

NAHU staff traveled across the country visiting 70 NAHU chapters including events, meetings, symposiums, summits and expos, attended 14 conferences and completed eight projects.

### HEALTH UNDERWRITERS POLITICAL ACTION COMMITTEE (HUPAC)

- HUPAC's total contributions were up 6.4 percent compared to 2014 and up 18 percent compared to 2013.
- The number of contributors also went up by 10 percent when compared to 2013.
- HUPAC has disbursed \$394,500 to members of Congress who support the role of agents and brokers in the healthcare industry.
- The DC team attended over 201 events to educate and form strong relationships with members of Congress.
- NAHU Members have attended 31 local events and delivered in district more than \$38,000 HUPAC dollars to members of Congress.
- HUPAC had one of its best Capitol Conferences in terms of fundraising. HUPAC brought in over \$100,000 in annualized dollars, surpassing the previous two Capitol Conferences.
- HUPAC saw overwhelming support from NAHU Chapters across the country at Annual Convention with over \$60,000 in chapter contributions to the Administrative fund. Its total surpassed last year's haul by \$13,000.
- HUPAC has implemented the ability for NAHU members to contribute on the same electronic form they use to renew their NAHU membership, making it as easy as ever to become a HUPAC contributor.

### PUBLIC RELATIONS

- NAHU had more than 7,300 press hits in a variety of different media, including Associated Press, Yahoo! News, *New York Times*, *USA Today*, Reuters, Yahoo! Finance, Huffington Post, *Bloomberg*, *U.S. News & World Report*, *Boston Globe*, CNN, MSNBC, ABC, CBS, NBC, *Washington Post*, Fox News, *Forbes Magazine* and many more top-tier publications.
- NAHU launched the new *Brokers Making a Difference* website on Nov. 1.
- NAHU issued 30 press releases and media advisories at the national level on important issues such as the *King v. Burwell* ruling, repealing the Cadillac tax, defining a small-group, open enrollment, repealing small-group expansion, the PACE Act, the role of health insurance agents and brokers, NAHU leadership changes and the Platinum Advisor Summit.
- NAHU issued 27 letters-to-the-editor and five opinion-editorials on issues such as open enrollment, repealing the health insurance tax, long-term care, healthcare costs, health insurance exchanges, Medicare and the role of the agent.
- NAHU updated nearly 50 press release templates for chapters and updated both the Press Conference Guide and the Media Buying Guide.
- NAHU created two new infographics on the Cadillac Tax and *Brokers Making a Difference* for lobbying and media outreach.
- NAHU launched a campaign to increase our social media presence. Over the past year, our numbers and viewership have vastly increased.
- NAHU began a national radio tour on the value of brokers during the open-enrollment period. Vice President of Government Affairs Marcy Buckner was interviewed on multiple nationally syndicated radio stations.
- NAHU created four open enrollment print advertisements.
- NAHU created a new monthly media tool, *Media Highlights*, to showcase print and broadcast press hits as well as social media interaction.
- The "How To" Media Guide for NAHU Members was redesigned and updated with new content and more tools to help our members launch a successful public relations campaign.



## EDUCATION

- NAHU became one of three vendors selected to provide the CMS-approved federally-facilitated marketplace (FFM) agent/broker training, the only agent/broker association that was awarded this honor.
  - NAHU held 17 Compliance Corner webinars.
  - NAHU hosted the Consumer-Directed Healthcare Certification Course for the Massachusetts AHU and a pre-conference workshop at the Evolution1 Partner Conference.
  - NAHU hosted the Wellness Certification Course for the Western Rockies AHU and Portland AHU.
  - NAHU hosted the Self-Funded Certification Courses for the Connecticut AHU, Indiana State AHU, Houston AHU, Massachusetts AHU, Metro Denver AHU, Panhandle AHU, St. Louis AHU and West Michigan AHU chapters.
  - NAHU hosted the Self-Funded Certification Course pre-conference workshops at the Workplace Benefits Renaissance and Workplace Benefits Mania 2015 and the IHC Private Exchange Forum & Expo and IHC Sixth Annual Forum.
  - NAHU hosted the PPACA Certification Course pre-conference workshop at the 11th Annual Benefits Selling Expo.
  - NAHU hosted the Self-Funding for Brokers™ course at the IHC Private Exchange Forum in Baltimore, MD.
  - NAHU's professional-development program included 15 breakout sessions and showcased two new certification courses, the Certified Account Manager and Medicare Certification, at the Annual Convention in New Orleans.
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## MEMBER RELATIONS

- NAHU conducted a national membership marketing campaign encouraging nonmembers to join.
- NAHU welcomed over 3,100 new members.
- The average retention rate for the year was 81%.
- NAHU had a national membership campaign from January to April that awarded the top recruiter from each region with a \$500 gift card. Four members who recruited two new members won a \$250 gift card from a drawing. The grand prize winner won a free 2015 Annual Convention registration, including airfare and a four-night hotel stay at the convention hotel.
- State chapters and regions competed in the Drive to 85 Retention Campaign from January to April. The winners won a \$500 gift card.
- The Technology Solutions page was launched, which lists NAHU partners that help agents and brokers stay up-to-date with legislative and regulatory changes, with new technologies to operate more efficiently and compete in today's rapidly changing health insurance market. Our current technology partner firms provide help with employer reporting, Cadillac/excise tax calculators, claims analytics, employee counting tools, HIPAA compliant secure file sharing and storage, and look back and measurement period managers, among other features. Members can select the solution that best fits your needs with the confidence that we have negotiated the best cost and benefits on your behalf.
- NAHU announced partnerships with:
  - ACA Reporting Service
  - benefitsCONNECT
  - Code SixFour
  - HR360
  - Zywave
- NAHU launched its Platinum Advisor Summit to provide a venue of collaboration among professionals in their area of expertise and improve the strength of their value proposition to clients and prospects.
- Paige Phillips, vice chair of the Membership Council, recorded four short videos – “Welcome to NAHU,” “Membership Discount and Social Media Benefits,” “Professional Development and Member Recognition Programs” and “Legislative and Compliance Resources” – that focused on what new members need to know.
- There were two eCommerce training webinars held for local and state membership chairs. In addition, two national membership webinars were held, covering topics such as local chapter programming, updates on national initiatives, and best practices on member recruitment, retention and engagement. The webinars were recorded and are posted online as a resource.

## COMMUNICATIONS

- On our Find an Agent feature, NAHU is now tracking member state exchange certifications along with NAHU's general certification tracking. Also, members can add headshots to their listing.
- NAHU.org had 1.3 million page views. Forty-six percent were new visitors, and 54 percent were returning visitors.
- NAHU updated member profiles to display pertinent member information.
- NAHU produced 12 editions of the *Health Insurance Underwriter (HIU)* magazine, which focused on the new self-funding marketplace, disability insurance, wellness, reducing financial stress, why nearly everyone can benefit from an HSA, social, mobile and local marketing, and more.
- The number of visits to [www.hiu-digital.com](http://www.hiu-digital.com), the online complement to the print version of the *HIU* magazine, continues to increase.
- *HIU* has been around the world from Cuba, to Switzerland, to France, to Brazil, to Mt. Kilimanjaro, to Israel, and beyond.

## LEADERSHIP SERVICES

- Twelve state chapters qualified for the prestigious Blue Ribbon of Excellence.
- Two chapters qualified for the esteemed Platinum Certification.
- Seventy-four chapters qualified for Gold Certification.
- Thirty-one chapters qualified for Silver Certification.
- There are 206 state and local chapters eligible for the chapter certification program; fifty-two percent of chapters are certified. In 2015, 107 NAHU chapters became certified. Chapters must obtain a minimum of six criteria to be certified as silver, nine criteria to be certified as gold and 14 criteria to be certified as platinum
- NAHU Leading Producers Round Table (LPRT) Program recognized the top producers in our profession. There were 183 Soaring Eagles, 65 Golden Eagles, 87 Eagles, 27 President's Council and 20 Leading Producers qualifiers. Of these qualifiers, 78 qualified at the Lifetime and Producing level. Additionally, we had 49 Lifetime qualifiers this year.
- The Soaring Eagle Symposium increased with over 100 attendees, six nationally known presenters and sponsorship from BenefitMall, Comprehensive Benefits, HR360, Infinisource, Triune Technologies, Inc. and UMB Services.

## MEETINGS

- NAHU's 25th Annual Capitol Conference was held February 23-25 at the Hyatt Regency on Capitol Hill.
- The conference attracted 759 attendees, including more than 177 first-time attendees.
  - Conference sponsors included Mercer, CareOne Advocates, Think HR, FreedomCare and Cimplx.
  - Attendees could choose from eight educational breakout sessions in four tracks.
  - Additional sessions were held for state and local legislative chairs and HUPAC chairs.
  - General Sessions featured panels covering the future of the marketplace and a transformed marketplace.
  - Distinguished speakers included David Houle, one of the top futurists in the world, on the future of health care, and Chris Cillizza, *Washington Post* reporter and author of the politics blog "The Fix," who discussed the 2016 elections. Attendees also heard from Governor Charlie Baker (R-MA), Senator Tim Scott (R-SC), Rep. Ami Bera, MD (D-CA) and Rep. Diane Black (R-TN).
  - Attendees went all-out in their lobbying efforts, covering virtually every congressional office on Capitol Hill.



## MEETINGS

NAHU's 85th Annual Convention was held June 28-July 1 at the Hyatt Regency in New Orleans.

- The convention attracted nearly 650 attendees, including 146 first-time attendees.
- The convention had a sold-out exhibit hall and a record of 25 sponsoring companies, including Gold Sponsor Humana, Crystal Sponsors Aflac, BenefitMall, Infinisource, Pfizer, United Benefit Advisors and Warner Pacific as well as Bronze Sponsors Azimuth Risk Solutions, Colonial Life, Connecture, eflex, FreedomCare, HCC Medical Insurance Services, HealthPlan Services, HSA Bank, insurancenewsnet.com, Liberty Tax Service, Mercer, Mutual of Omaha, Pan American Life Insurance Group, staffone, SyncStream Solutions, Target Insurance Services, Cimplx and Zywave.
- The opening ceremony featured representatives from most state chapters in attendance presenting their state flag.
- Our opening keynote speaker for the general session was Terry Bradshaw, NFL's Hall of Fame Quarterback and leading television personality and analyst.
- Attendees chose from 18 professional development sessions featuring leading industry experts who spoke on a variety of topics, including Consumer-Driven Health Plans Analytic Trends, Employee Benefits Compliance, Level/Shared Funding, Personalized Marketing, Required Government Filings for Welfare Benefit Plan Sponsors, Health Benefit Captives, Payroll and HR Pitfalls that Prevent ACA Compliance, Transparent/Bundled Pricing's Emerging Influence and Employers Strategies for Specialty Drug Management.
- Attendees could attend two programs offered by NAHU's Learning Institute.
- Chapter leaders could also participate in chapter-management breakouts and incoming chapter officer forums.
- LPRT qualifiers enjoyed an exclusive private reception at Mardi Gras World, including walking through the Mardi Gras Float Den before enjoying authentic New Orleans food, activities and entertainment. HUPAC celebrated its 21st Birthday by hosting a bash at the famous Tropical Isle on Bourbon Street.
- The Vanguard Council held its annual social at The Maison. Attendees were able to learn about the Council's initiatives and mingle with other thought leaders.
- Attendees enjoyed the Gordon Memorial Award Dinner. Distinguished Service Awards were presented, and David Fear, Sr., was named Health Insurance Person of the Year.

## EDUCATION FOUNDATION

- Steve Selinsky was re-elected as chairman of the Education Foundation Board.
- The NAHU Education Foundation welcomed to the board NAHU President Don Goldmann and NAHU Past Presidents Ryan Thorn and Tom Harte.
- The NAHU Education Foundation launched a 10-part webinar series in partnership with the Robert Wood Johnson Foundation called "The New Healthcare Landscape" with over 2,100 registrants.
- All brochures, videos and flyers were updated and made available for NAHU members and the general public at [www.nahueducationfoudation.org](http://www.nahueducationfoudation.org).





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