

## LAAHU's Vision:

LAAHU empowers our members by providing the tools to succeed in today's ever-changing healthcare industry.

## LAAHU's Mission:

Provide members professional growth and a powerful voice at the local level by delivering valuable networking and educational opportunities.



*Our Focus Is Your Success*



# LAAHU Times

Spring 2011

Available online at [www.laahu.org](http://www.laahu.org)

The official publication of the Los Angeles Association of Health Underwriters

## LAAHU

### LAAHU University Day

April 14, 2011  
7 a.m. - 3:30 p.m.  
Warner Center Marriott  
21850 Oxnard Street  
Woodland Hills, CA

### Board of Directors Guiding Principles:

1. Unwavering support and unconditional belief in our members.
2. Connecting people and enriching lives through education, and new and creative ideas.
3. Enhancing the necessity and image of the insurance professional.

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# University Day Returns. This sequel is bigger and better than the original.

By Steve Crane

LAAHU listened. You wanted an event that would provide real value with tangible ideas you could put to the test right after the event. Last year, LAAHU set out to redefine what we could

do for you by bringing you University Day. This year, we upped the ante. We took everything you loved about University Day and expanded on it. You'll now have a choice of 10 breakout sessions offering 6 CE credits.

**We took everything you loved about University Day and expanded on it.**

do for you by bringing you University Day.

This year, we upped the ante. We took everything you loved about University Day and expanded on it. You'll now have a choice of 10 breakout sessions offering 6 CE credits. This year's theme is "Success...Nothing Less," and University Day promises to deliver. In just one day you'll get fully debriefed on where our industry is headed, your future role in the distribution system, and where the opportunities to grow your busi-

ness lie. It's the kind of knowledge you need to move forward and share with your clients as you and LAAHU continue to navigate the new

Elect and University Day organizer.

We know that today's challenges will continue. University Day has been designed as an oasis of

- Imagine one day of new knowledge
- Content rich and fast paced
- We've eliminated the fluff and replaced it with opportunity
- More courses for your



**This year's theme is "Success... Nothing Less," and University Day promises to deliver.**

world of healthcare reform together.

"LAAHU U Day is so content rich and will offer such a wealth of information that I like to think of it as way that LAAHU gives back to our members. This year there is something for every attendee," said Elizabeth Holman, LAAHU President-

knowledge where you'll have the opportunity to bring new thinking to your business and make your vision a reality.

If there is a mantra at University Day it is "opportunity." You will hear it spoken over and over again throughout the day.

What is University Day?

dollars with an astounding 10 breakout sessions

- You'll hear from health insurance carrier executives, key hospital administrators, physicians, top selling agents, human resources professional, marketing gurus, legislative analysts, attorneys and more.
- An opportunity to interact with key players in our industry
- Networking in a more personal and rewarding environment



# President's Message

The resilience of today's agent never ceases to amaze me. It does really feel sometimes like it's one thing after the other we have to deal with. But what do we do? Continue to persevere. It's a testament to our ability as agents to adapt to situations and make the best of them. And right now, we need to continue to adapt to make sure that we remain successful.

One thing I'm seeing a lot of that gives me a very optimistic outlook for the future is agents diversifying what they offer. I'm seeing us becoming more versatile as consultants and advisors, and being able to offer a more complete line of services to our clients. No longer content with just offering one or two products, we are opening up new revenue streams for ourselves. We are opening up opportunities. Speaking of opportunities, we are right around the corner from University Day. Last year's rousing success has inspired us to make the event even bigger and better than it was last year, and it's going to be.



Joe Navarro  
President, LAAHU

LAAHU prides itself on how successful our community of agents has been and continues to be. We have some really good momentum right now and University Day is exactly the right event to keep that going.

The truth is, without a crystal ball, nobody can tell exactly what the future is going to bring. But we can

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certainly prepare. So come to University Day and soak all the new knowledge in. Let's continue to be Agents of Progress. Let's continue

to show the stuff that makes LAAHU the best agent-oriented organization out there. Can you tell, I'm excited. Aren't you?



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# Keynote Speakers



Pam Kehaly

**Keynote speaker:  
Pam Kehaly**

“Consumers are searching for plans that do more than just pay their medical bills,” said Pam Kehaly, President and General Manager of Anthem Blue Cross California. “They’re looking for insurance plans that help them navigate the health care system and

manage chronic conditions, provide more value for their money, and help them stay healthy in the long run through innovative wellness programs.”

On health care transparency, Kehaly said, “The health care system defies market logic. What other purchase is made with no or limited insight or regard for cost and quality? This missing dynamic has created an inefficient delivery system.”

Ms. Kehaly will discuss what lies ahead for California’s largest health benefits company during her talk, “Health Care Today and Tomorrow,” at LAAHU University Day.

Pam Kehaly was named President and General Manager of Anthem Blue Cross California in July

2010. She is responsible for the management of all local group health insurance business in California including sales, account service, marketing, underwriting and product delivery, as well as for maintaining customer relationships. In addition, she is responsible for the development of Anthem Blue Cross’ long-term strategic direction and collaborating with local and state elected officials to improve the health of Californians.

Kehaly has nearly 25 years of health insurance industry experience, including senior leadership, sales and operational roles at Aetna and WellPoint. Most recently, Kehaly served as president of national accounts at Aetna.

Prior to this assignment, Pam led Aetna’s West Region National Accounts division. Before joining Aetna, Kehaly worked in a variety of sales and operations leadership positions in WellPoint’s California market.

**Keynote speaker:  
Jodie Lesh**

Ms. Lesh serves as Sr. Vice President, Strategic Planning and New Ventures for Kaiser Permanente and will discuss how health care reform has impacted Kaiser Permanente’s unique delivery model.

Kaiser Permanente believes the new health care reform law has the potential to improve lives in some important ways.

Thirty-two million Americans, who today find themselves outside the system, will finally have access to vital preventive services and care for their chronic conditions. Medicare will reward high-quality health care for the first time in its history. Kaiser Permanente sees this as a first important step in fixing a health care system that has long rewarded the provision of more care instead of better care. Guaranteeing health care coverage and connecting financial incentives to high-quality care are watershed changes in the U.S. health care system that will substantially improve the lives of Americans.

—Continued on page 4



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## Speakers

—continued from page 3



Dale Fratianne

### Keynote Speaker Panel: Providers, Academics and Legislators Weigh In on Healthcare Trends

Moderated by John J. Nelson, Co-CEO of Warner Pacific, the following panelists will share their perspectives on healthcare reform while discussing topics such as healthcare trends, cost containment, accessibility, outcomes and delivery systems.

#### Dale Fratianne, Head of Sales, Individual and Small Group 2-50 at CIGNA Healthcare

Mr. Fratianne has over 25 years industry experience. Before serving in his current role with CIGNA he held positions in a variety of levels in the sales orga-



Steven Sell

nization of John Alden Life/ Assurant Health, including leading the start up efforts to create a presence in Nevada in 1993.

#### Steven Sell, President, Health Net of California

Facing unprecedented economic challenges and uncertainty around health care reform, Mr. Sell has driven a successful business strategy, developing products that resonate with customers while fostering dynamic relationships with Health Net business partners.

#### Richard Figueroa, Program Manager for Health Reform, California Endowment

Before joining the state's largest, private health foun-



Herb Schultz

ation, Mr. Figueroa served for four years as Health Care Adviser and Deputy Cabinet Secretary for the Office of California Governor Arnold Schwarzenegger.

#### Herb Schultz, Regional Director, Health and Human Services

Mr. Schultz was appointed by President Barack Obama to serve as Regional Director at the U.S. Department of Health and Human Services' (HHS) Region IX. In this role, he serves as HHS Secretary Kathleen Sebelius' key representative in the Region, ensuring that close contact is maintained by the federal government with state, local, tribal, and territorial governmental and



Mike Wall

external, non-governmental partners on a wide range of health and social service issues.

#### Mike Wall, President & CEO Northridge Hospital

Mike Wall is currently the President/CEO of Northridge Hospital Medical Center, a 411 bed acute care facility, located in Northridge, CA. Mr. Wall has been at Northridge Hospital since 2000. He has over 30 years in hospital administration with specific areas of expertise in board and physician relationships, strategic planning, managed care, fiscal management, continuous quality improvement, and healthier communities initiatives.



Ruthann Laswick

#### Ruthann Laswick, VP of Marketing, Black, Gould & Associates and Region VII Vice President for NAHU

Ruthann's career in employer benefits spans 35 years working from both the consulting side of health insurance and the employers' side. For the past year much of her time has been spent working on the current health care reform. With the passage of PPACA, Ruthann has been teaching certification courses for insurance agents, speaking throughout the country on PPACA to employers and has partnered with a national carrier to present PPACA to employer groups.



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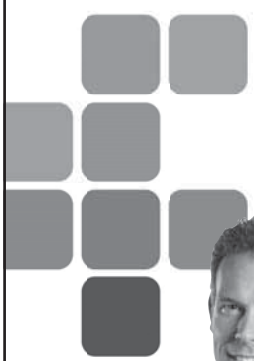
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# LAAHU University Day Breakout Sessions

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Day has something for everyone. With so much knowledge being shared, the question isn't whether or not you should attend but rather which classes to take. Talk about making tough decisions.

## Round 1 (10:30 am)

Breakout	Speaker(s)
Containing Healthcare Costs	Steve Shearer, Anthem Blue Cross
Everything ERISA	Chirag Shah, CPA
Understanding the Healthcare Delivery System	Docs 4 Patient Care
Working with the Senior Market	Monte Merken
Small Group Carrier Round Up Panel	Representatives from California's Major Carriers

## Round 2 (1:15 pm)

Breakout	Speaker(s)
Healthcare Reform	Mark Weiderman, Blue Shield
Wellness Program and ROI	Sima Reid and Sage Wellness
Long Term Care	Barry Fisher/Susan Blais, Paradigm Insurance Services
Large Group Carrier Round Up Panel	Representatives from California's Major Carriers
General Agency Round Up Panel	Gary Smith, Word & Brown Jeff Papenfus, Warner Pacific Ken Doyle, LISI

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**April 14, 2011  
7:00 am – 3:30 pm**

**Warner Center Marriott  
21850 Oxnard Street  
Woodland Hills, CA 91367**

LAAHU University Day has been specially priced so that agents and their staff can attend this knowledge extravaganza.

**Fees: Member (AHU): \$75  
Non Member: \$95**

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[www.laahu.org](http://www.laahu.org) and clicking on University Day!**



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## LAAHU University Day Agenda

April 14, 2011

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- |                 |                                                                                                                        |                                                                      |
|-----------------|------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| <b>7:00 am</b>  | Registration                                                                                                           | Badges at Anthem Blue Cross booth<br>Bags at Blue Shield of CA booth |
|                 | Breakfast                                                                                                              | Sponsored by UnitedHealthcare                                        |
|                 | Exhibit Hall                                                                                                           | Attendees to say "Hello" to Exhibitors and get Passports stamped     |
| <b>8:00 am</b>  | Opening Session Welcome by LAAHU-President Elect                                                                       |                                                                      |
| <b>8:05 am</b>  | Pam Kehaly, President and General Manager, Anthem Blue Cross                                                           |                                                                      |
| <b>8:55 am</b>  | Jodie Lesh, Senior Vice President, Kaiser Permanente                                                                   |                                                                      |
| <b>9:45 am</b>  | Quick Break /Hall of Knowledge                                                                                         |                                                                      |
| <b>10:30 am</b> | 1st Round of Breakout Classes (Sponsored by CIGNA)                                                                     |                                                                      |
| <b>11:30 am</b> | Pick up your Lunch Box                                                                                                 |                                                                      |
| <b>11:45 am</b> | "People Buy You" – Joe Navarro, LAAHU President                                                                        |                                                                      |
| <b>12:15 pm</b> | CoPower Game Show!                                                                                                     |                                                                      |
| <b>12:45 pm</b> | Hall of Knowledge – Get your passports stamped for a chance to win an iPad (Courtesy of LISI and FHCE)                 |                                                                      |
| <b>1:15 pm</b>  | 2nd Round of Breakout Classes (Sponsored by Warner Pacific)                                                            |                                                                      |
| <b>2:05 pm</b>  | Spring Break 2011 – "Scooby Doo Snacks" Raffle Prize Winners Announcement - Part 1 <i>Must be Present to WIN</i>       |                                                                      |
| <b>2:30 pm</b>  | Keynote Legislative Panel (Sponsored by HTH Travel)                                                                    |                                                                      |
| <b>3:30 pm</b>  | Raffle Winners Announced – Part 2 <i>Must be present to WIN.</i><br>iPad Giveaway - LAAHU Grand Prize Winner Announced |                                                                      |
- Parking validated at the Word & Brown booth**

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# NAIC Working Towards Legislation to Remove Agent and Broker Commissions from the MLR

By Dave Benson, VP of Legislation

The National Association of Insurance Commissioners convened the first meeting of its Professional Health Insurance Advisors Task Force on February

Representative Mike Rogers (R-MI), and NAHU is hopeful that the NAIC will ultimately end up endorsing the Rogers legislation.

In addition to the proposed legislation, Commissioner McCarty asked Task Force Vice Chair Commissioner Wayne Goodwin of North Carolina to work with Commissioner Rog-

er Sevigny of New Hampshire on a draft resolution for the NAIC to send to the Department of Health and Human Services. The resolution will call for increased state waiver authority on the MLR and/or targeted MLR relief on the commission issue. The idea behind the resolution is that while legislation to address the issue may ultimately be the

most effective solution, HHS Secretary Kathleen Sebelius has the ability to act in a much more expedient fashion if she chooses to. Furthermore, the NAIC is asking commissioners to review the definitions of "commission" and "premium" in their states to see if there are additional ways to provide MLR relief to agents and brokers on the state level.



Dave Benson

28, and a key development from the call was that, like NAHU, NAIC leadership has decided to pursue a legislative solution to remove agent and broker com-

**...NAIC leadership has decided to pursue a legislative solution to remove agent and broker commissions from the federal medical loss ratio (MLR) calculation as a pass-through expense.**

missions from the federal medical loss ratio (MLR) calculation as a pass-through expense.

The Task Force Chair, Florida Insurance Commissioner Kevin McCarty, released their draft legislative proposal on March 3, and is seeking public comment by March 14. NAHU has already submitted our comment letter in support of the measure, and we will be participating in a public hearing at the upcoming NAIC meeting in Austin, TX at the end of March. The NAIC's draft proposal is extremely similar to the bill being drafted by

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# Generational Selling

By Joe Navarro

History is in the making. Never before have four generations occupied the workplace as they do now.

They are:

- Matures (also known as the Greatest Generation). Born before 1945.
- Baby Boomers (also known as the Woodstock Generation). Born between 1946 – 1964.
- Generation X (also known as Latch-key Kids). Born between 1965 and 1980.
- Generation Y (also known as the Entitled Ones). Born between 1981 and 1995.

In today's environment the "D" word (Diversification) is discussed everywhere as the way to grow your business during the not so popular reform era.

The D word not only applies to your products/services but to the variety of ages that we are all selling to as well.

For example, when you create marketing programs for Matures it is important to understand several characteristics. In the past you typically earned your gold watch, you had a pension of some sort and you relied on your monthly social security check to get you by in a relatively passive end stage of life.

Today's "retirees" see growing older as a time to reinvent themselves, explore, travel and spend more time with family and friends.

Others remain active in the work

force for intellectual stimulation or because they are living longer.

When designing a promotion towards matures you need to understand that their eyesight has been changing dramatically since their 50s.

Older people have a more difficult time distinguishing between blues, greens, and purples, and they find it easier to see reds and oranges. Glare also becomes a problem so reading a message on high gloss paper turns into a challenge rather than an opportunity. So remember to keep your paper or on-line marketing materials simple in content and design.

For Baby Boomers, what you can take to the bank is that for the next 19 years 10,000 Boomers will be turning 65 every day! What should be resonating with you right now is that your ticket to retirement rests in the colorful hands of Baby Boomers.

Baby Boomers like to buy from Baby Boomers. When it comes to promoting your products to them you will want to steer clear from calling them or the products/services you represent Senior. Boomers are not Seniors. They do not relate to the word. In their mind they are and will be going through Middlecence until they reach their mid 70s.

Boomers are very smart consumers. In fact they are the most educated Generation ever to walk the earth and they pride themselves on their know how and their keen ability to change the wrongs in the world.

You do not want to come at them as the expert. You are there to acknowledge their life's experiences and vast knowledge and to assist them in making the right buying decision.

Be service oriented and communicate (as a consultant) the clear cut benefits and values of what you can offer them.

As for our next Generation. Gen X. They have often been left out and criticized for not doing much as a result of the fact that they are much smaller in numbers than Baby Boomers. As a result of their "mini size" they have been mis-labeled by many and have not been attributed to making much of an impact in our society.

Boldness, youthful rebellion, disloyalty to brands and skepticism of big business are all hallmarks of Gen X.

Xers are very sensitive when you try to "sell" them or when they feel you are trying to exploit them.

Use more of a straightforward approach.

They are more entrepreneurial.

They have lived through the Internet Boom.

You will need to be earnest and continuous in your effort to service them after the sale. They have seen the layoffs, outsourcing and "disrespect" afforded their parents and they want nothing of the same.

Now when it comes to Gen Y you hear the word "savvy". This Generation has sucked down technology like no other previous Generations. Cell phones are like "binkies" to them.

It is extremely difficult to "sell" to this Generation. They are invincible and are set on correcting all the wrongs they have witnessed in their short lives.

As the daughters and sons of Baby Boomers this group was raised on the mantra "You are Special" and they have retained this self-concept as they have grown into adulthood.

Don't try to be "cool" with them as you market or reach out to this audience. Be straight forward and use simple messages that are honest with no hype or they will shut you down faster than you can blink an eye.

On-line is the way to go for them. Social Media is their shopping nirvana. Your web presence will need to cater to their "want it now" attitude and if they are not happy with your purchase they will let their vast network of friends know in a heartbeat.

As Matures stay healthy and work longer, as Baby Boomers postpone retirement and branch into new careers, as a much smaller population Gen Xers move into management positions and as the next great boom the Gen Y's and Millenials emerge onto the work scene, the potential to grow your business is bigger and better than ever before.

The difficult part is knowing the when, the what and the how as you reach out to build future relationships with each Generation...as you make progress you will realize that you have found the pot of gold at the end of the rainbow.

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# Headline News from the National Association of Health Underwriters

## Obama Administration Launches Effort To Increase Public Support For Healthcare Law.

The Wall Street Journal (3/18) reports that the Obama Administration will begin a new campaign next week to increase public support for the healthcare law. Several of the cabinet secretaries will travel across the country to tout the early benefits of the law, such as senior prescription rebate checks and expanded coverage for children to age 26. The administration hopes to garner positive public opinion for the law prior to the next presidential election. As the administration marks the one-year anniversary of the healthcare law, Republicans are considering ways to diminish the effectiveness of the law. Notably, Health and Human Services Secretary Kathleen Sebelius says, "For a lot of people, the changes aren't personal yet."

The Huffington Post (3/18) reports that in "the next week, a large number of progressive groups, healthcare advocacy organizations and high-profile administration officials and congressional lawmakers will hit the road to resell the president's healthcare reform

law around the one-year anniversary of its passage." An administration official says, "You can expect to see officials discuss how the law is already benefiting seniors, small businesses, women and young adults." The official adds, "And they'll be taking the message outside of Washington to communities across the country, not to re-fight the political battles of the last two years, but to highlight how this law is already moving us forward."

The National Journal (3/18) reports that as the one year anniversary of the healthcare law approaches, the political climate has changed. The Journal adds that the "battle lines were drawn as early as 2008, but the entrenched and prolonged fight after healthcare reform's enactment runs counter to the administration's hope that the law would become more popular as it was phased in." But, "the law's critics have redoubled their efforts to take reform down, vowing to fight in nearly every possible venue." The Economist (3/18) also covers the story.

## House Holds Hearing On Long-Term Care, CLASS Program.

The New York Times (3/17) "The New Old Age" blog reported that "the

very first congressional hearing on the Class Act" began yesterday "before the health subcommittee of the House Energy and Commerce Committee." According to a survey from Kaiser and the Harvard School of Public Health, the CLASS Act "appears to be one of the healthcare act's more popular provisions: 76 percent of the adults polled had a favorable or very favorable response when the plan was described."

The National Journal (3/18) reports that "House Republicans picked at their latest target in the healthcare law on Thursday -- long-term care insurance -- but could not explain how they would control costs beyond repealing a voluntary program established in the legislation." The Community Living Assistance Services and Supports (CLASS) program "is one piece of the healthcare law that the Obama administration has made clear needs serious fixing." The Journal adds that "Democrats agreed that CLASS does not quite work, but they want to leave the fixing of it to Health and Human Services Secretary Kathleen Sebelius."

CQ HealthBeat (3/18) reports that HHS assistant secretary for aging Kathy Greenlee "pledged at a House hearing Thursday that a long-term-care program included in the health overhaul law won't be launched unless it is

financially sustainable." While House Republicans expressed concern about the program, Greenlee "defended the \$120 million requested by the Obama administration in fiscal 2012 for implementing the... (CLASS) program, saying \$94 million of it will be used for public outreach and education to bring in the kind of broad-based enrollment that the insurance program will need to succeed." The article adds that "HHS Secretary Kathleen Sebelius had said earlier this year that the department was working to revamp the program." The Hill (3/18) "Healthwatch" blog also covers the story.

**Bill Proposed To Repeal CLASS Program.** Modern Healthcare (3/18) reports that during the hearing on the CLASS Act, "Rep. Phil Gingrey (R-Ga.)...said he is co-sponsoring legislation that will be introduced later today to repeal the Community Living Assistance Services and Supports, or CLASS, program that was a part of the Patient Protection and Affordable Care Act." Notably, Reps. Charles Boustany (R-La.) and Dan Lipinski (D-Ill.) are the other co-sponsors of the bill. Forbes (3/17) "The Apothecary" blog also covered the story.

—Continued on page 11

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## News

—continued from page 10

### Rogers, Barrow Introduce Legislation To Exempt Brokers From MLR Rule.

The Washington Post (3/17) reported that insurance “brokers, worried that their livelihoods are in jeopardy from the health law, are pressing Congress and state legislatures to safeguard agent commissions and guarantee them a role in new online marketplaces where people will shop for coverage.” As the debate continues regarding how broker protections would help individuals, brokers “warn that alienating them could undermine the success of insurance exchanges, the online marketplaces that will allow people to compare plans’ prices and benefits.” Currently, “the brokers’ lobby and a task force of the National Association of Insurance Commissioners are preparing legislation for Congress that would exempt broker commissions from new rules that require insurers to spend at least 80 percent of the money they collect in premiums on medical care.” According to the National Association of Health Underwriters, brokers receive commissions that are about 3 to 10 percent of the premiums.

CQ HealthBeat (3/18) reports that Reps. Mike Rogers (R-Mich.) and John Barrow (D-Ga.) “introduced legislation Thursday they said would prevent

the medical loss ratio (MLR) regulation issued under the health law from reducing the commissions of insurance brokers and agents.” Notably, “an official with the National Association of Health Underwriters denied that the legislation would increase premium costs and said the Obama administration would not necessarily oppose the measure.” While CMS’s Center for Consumer Information and Insurance Oversight director Steve Larsen “said his organization hasn’t taken a position on the Rogers/Barrow bill,” he acknowledged the importance of brokers. Also covering the story are The Hill (3/18) “Healthwatch” blog and Politico (3/17).

### Blue Shield Of California Cancels Third Planned Rate Hike Since October.

The AP (3/17) reports, “Blue Shield of California said Wednesday it was withdrawing its plan to increase health insurance rates for individual policyholders in what would have been the third such rate hike since October.” Some subscribers would have seen premiums raised by as much as 87% under the plan, which the company says was due to “rising health care costs.” Moreover, “the insurer said individual policyholders would not see any more rate hikes for the rest of the year. In a conference call with reporters, California Insurance Commissioner Dave Jones said the Blue Shield decision highlight-

ed the need to give the commissioner the power to reject health insurance rate increases.”

On the front of its Business Day section, the New York Times (3/17) reports that the insurer’s “retreat echoed moves last year by WellPoint, the large commercial insurer whose proposed premium increases were met with stiff resistance that spread across the country and even evoked denunciations from President Obama.” Blue Shield California “emphasized its role as a nonprofit organization in seeking to provide insurance to as many people as possible. ‘By agreeing not to raise rates this year, we are helping to make coverage more affordable for our members during tough economic times,’ said Bruce Bodaken, Blue Shield’s chairman and chief executive, in a statement.”

The Los Angeles Times (3/17) reports that the decision “followed mounting pressure from the public and political leaders. But an unforeseen factor may have made the retreat easier for the company to accept: It’s paying out less for medical claims than it had anticipated. And it’s not just Blue Shield. Major insurers including WellPoint Inc. and Aetna Inc. also say that medical spending has been lower than projected recently, saving the companies millions of dollars in payouts.” A trend toward lower-end policies has beneficiaries “thinking twice about discretionary visits. ‘In times of recession, you see people choosing to forgo elective procedures because of their bud-

gets,’ WellPoint spokeswoman Kristin Binns said.” The Wall Street Journal (3/17) also covers the story.

### Number Of Uninsured Americans Grew To 52 Million Last Year.

Bloomberg News (3/17) reports, “Unemployment and rising expenses caused 9 million Americans to lose health insurance during the past two years, according to researchers backed by a group advocating access to health-care.” Notably, “losses of coverage helped swell the ranks of uninsured adults in the US to 52 million in 2010, according to a study released today by the Commonwealth Fund.” In addition, another “73 million adults had difficulties paying for healthcare and 75 million deferred treatment because they couldn’t afford it, researchers said.”

The Hill (3/17) says in its “Healthwatch” blog that the figure of 52 million represents an increase “from 38 million in 2001. More than half of lower-income adults went without insurance during 2010.” Meanwhile, just one-quarter “of those who lost employer health insurance over the past two years were able to obtain other health insurance, the report found.” Modern Healthcare (3/16) and the Los Angeles Times (3/17) “Booster Shots” blog also cover the story.

## Your Back Office



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# LAAHU Focus on a Member

By Torsten Sporn

When I interviewed Steven for this article, the last thing he told me was to make him look good. If there was ever a tall order for a journalist, I was just given it. Obligatory joke at my friend's expense aside, I already had a pretty good insight into the interesting person that Steven is before I interviewed him for this article, having worked next to him in Warner Pacific's marketing department for nearly three years. If there's one thing I can say, he has a talent.

The insurance industry is all of our livelihood. We embrace it, we value it, and we will fight tooth and nail to preserve our role in it. But one thing that is not easy to do is to make it sound sexy or fun. Unless, of course, your name is Steven Crane.

With a lengthy background in creative writing for the advertising industry, that part of his job as Warner Pacific's Creative Director seemed to come naturally to him.

"I liked the creative aspect of writing in the advertising industry, but talk about an industry that eats its own! I wanted to put my skills to work on the client side and found myself in the marketing department for Warner Pacific. It turned out to be a great move for me."

This is where LAAHU comes into the picture for Steven.

"I'd never worked in insurance before so I knew very little about the industry. Working at Warner, I was always going to the



Steven Crane

LAAHU meetings. It just made sense that I became a member."

LAAHU's influence on Steven's career doesn't end there. He recently decided to shift his career focus once again, this time to sales, a change he says LAAHU

had a big influence on him making.

"I went from ad guy to marketing guy, and now a sales rep for Warner. LAAHU had a huge part to play in that because that's where I really got to know agents, what they do on a daily basis, and the effect that healthcare reform has had on us and the industry. People keep saying "the sky is falling" but that's just not the case. I'm not going to discount the realities of healthcare reform but I'm an optimist and for good reason. Agents bring real value to the distribution system and I believe they will for a long, long time. LAAHU helped me realize I could make a difference. I'm going to sound like an ad here but nobody

does more for the agent than LAAHU. Period."

Knowing Steven personally, I can tell you that he's well suited for a sales role in this industry and for once, he actually agrees with me!

"Advertising, marketing and sales go hand in hand. I've always liked helping brokers grow their books of business. Now I'll just be doing it on the front lines instead of behind the scenes. I enjoy creative problem solving and my experience there is something I can really draw on to help clients."

Speaking of clients, he's already gotten himself a loyal one.

"My Mini Schnauzer, Frederick. I got a pet policy for him. Pretty sure I'm not getting a commission on it though."

## LAAHU Goes to Cap Conference in Washington D.C.

By David Benson, LAAHU VP of Legislation

On February 14th through 16th, fifteen LAAHU members attended Cap Conference in Washington D.C. On day one conference attendees received information on Health Insurance Exchanges, Political Outlook for 2011 and information on the medical loss ratio from Florida Insurance Commissioner Kevin Mc Carthy. We also discussed talking points for our meetings with our Congressional Members.

On day two speakers included Congress Member Andy Harris (R-MD), Joel Ario, Director of Office of Health Insurance Exchanges at the Department of Health and Human Services, (DHHS) Congress Member Mike Rogers, (R-MI) House

Majority Whip Kevin McCarthy (R-CA), National

**...LAAHU members attended meetings with Congressional Members from Los Angeles County to discuss the role of the agent and removing agent commissions from the medical loss ratio (MLR).**

Association of Insurance Commissioners (NAIC) President Susan Voss and Congress Member Peter Roskam (R-IL).

Mike Rogers, (R-MI) informed the NAHU

members in attendance that he is going to introduce a bill that will remove agent commissions from the medical loss ratio (MLR) and that the bill has bipartisan support. NAIC President Susan Voss told NAHU members that the NAIC also supports removing agent commissions from the MLR.

After receiving valuable information from all of the speakers mentioned above LAAHU members attended meetings with Congressional Members from Los Angeles County to discuss the role of the agent and removing agent commissions from the medical loss ratio (MLR).

On day three speakers included Richard Pop-

per, Deputy Director for Insurance Programs at



DHHS, Congress Member Rob Andrews (D-NJ), Senator Mark Begich (D-AK), Senator Mike Enzi (R-WY) and Karen Harned, Executive Director, NFIB Small Business Legal Center.

In the afternoon LAAHU members continued their meetings with Congressional Members.

Some LAAHU members were invited to take a tour of the Capitol and sit in the House or Senate Gallery and watch the activities that were taking place.

Upon our return to Los Angeles, LAAHU members wrote thank you letters to Congressional Members and Staff for taking the time to meet with us. We also extended our offer to continue meeting and educating Staff Members on healthcare issues in the district office of each Congress Member.

On the NAHU website [www.nahu.org](http://www.nahu.org) under the section entitled "Meetings" (Cap Conference) you will find pictures of all of the speakers who participated at Cap Conference.