



BGA Update

Black, Gould & Associates

www.blackgould.com

July 2010

COBRA SUBSIDY NOT EXTENDED

The jobless bill, which extends unemployment benefits, was passed by the Senate Wednesday, July 21, 2010. This legislation was subsequently signed by the President.

This bill does NOT include an extension of the COBRA subsidy; it appears there will not be any further legislation on a COBRA subsidy extension.



July 2010
Black, Gould & Associates, Inc.

July Monthly Production Winners

Congratulations to the following Producers for their June Production:

Phoenix

Most New Group Premium - Marreel Slater Insurance
Most New Groups - Creative Benefit Strategies
Most New Indv Policies - Jamie Robertson

Tucson

Most New Group Premium - DRS Insurance Svcs
Most New Groups - The Schneider Group
Most New Indv Policies - A Insurance Shoppe

Business Hours:
Mon-Thurs 8am-5pm
Fri 8am-3pm

Phoenix office
3800 N. Central Ave.
9th Floor
Phoenix, AZ 85012
Phone (602)277-2144
Toll Free (800)407-0376
Fax (602)241-9711

Tucson office
4516 E. Camp Lowell Dr.
Tucson, AZ 85712
Phone (520)290-8822
AZ Toll Free (800)423-5582
Fax (520)296-0899

From The Group Department

AETNA

Going Greener

Your Small Group customers can now pay their monthly premiums online or by calling an automated phone number, 24/7, with no extra charge. This eliminates the need for checks, envelopes and postage while also supplying peace of mind that payments have been received.

Your clients can start today by:

- ◆ Calling 1.866.350.7644. Customers will need to provide their bank account and Aetna account information.
- ◆ Visiting www.AetnaMemberResources.com. Customers should click on "billing" and then look for the section labeled "Small Group Employers" where employers can provide their Aetna account and bank account information.

New Hire Applications

To ensure accurate processing of your group enrollment applications into Aetna, please make certain that on all new hire applications the following two fields, which are often overlooked, are filled in:

- ◆ Number of hours worked
- ◆ Whether an employee is full-time or part-time

Enrollment applications without this data will be returned for completion.

TOTAL DENTAL ADMINISTRATORS

Group Prepaid/DHMO Dental Plan

TDAHP's A500S is a group DHMO dental plan which has contracted with established private practicing dentists throughout Arizona to provide convenient, affordable quality dental care. Plans may be offered on a voluntary or employer paid basis and alongside any PPO group dental plan.

Negotiated Lab Fee Copays

The Prepaid/DHMO plan has fixed, negotiated lab fee copayments (\$185 for crowns and \$275 for dentures). With other DHMO plans, members do not know what their lab fee is until they receive the bill and the cost is dependent on the lab and materials used.

No Office Visit Copays

No per appointment/per member office visit copayments required—only copays for covered services.

Specialty Care Copays

The A500S Prepaid Plan covers Specialty Care (Oral Surgery, Endodontics, and Periodontics) at the General Dentist copayments listed in the A500S Schedule of Benefits.

Highlights

- DHMO/Prepaid Group Dental Plan
- In-Network Coverage Only
- No Annual Plan Maximum
- Adult & Child Orthodontia Coverage
- TDAHP's Own Proprietary Network
- No Waiting Periods
- No Pre-Existing (Except Procedures In Progress)
- Discount Hearing, Vision and Rx Plans



From the Group Department

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TOTAL DENTAL ADMINISTRATORS (Cont'd)

Elite Plus (Group PPO Dental Plan)

The Elite Plus Group Dental Plan is a PPO plan design that allows enrollees the option of receiving dental care from any licensed dentist in the U.S., Canada, or Mexico (out-of-network) or from a contracted TDA dentist (in-network).

By choosing to visit a TDA contracted dentist, members will have less out-of-pocket expense. That's because in-network, enrollees are only responsible for their copayment. If enrollees visit an out-of-network provider, they are responsible for any billed amount above TDA's published plan allowance.

- PPO group dental plan
- No deductible
- No annual plan maximum
- In-network copayments
- Out-of-network plan allowance (MAC)
- Cleanings, Exams, & X-Rays covered at no copay in-network
- No separate office visit copayment
- No separate lab fee copayments in-network
- Adult & child orthodontia coverage
- No waiting periods
- No pre-existing (except procedures in progress)
- Discount hearing, vision and Rx plans
- TDA's own proprietary PPO network
- DenteMax network available

UNITED HEALTHCARE

Introducing BrandsPlus RX Plans

BrandsPlus Rx is an innovative small business (2-99) prescription drug plan being piloted in Arizona for cases effective on July 1, 2010.

BrandsPlus Tx takes advantage of today's readily available, "\$4" retail generic offerings to meet the employee, employer and broker demands for comprehensive and affordable prescription drug coverage.

UHC is adding BrandsPlus Rx as another option between inexpensive generic-only plans and more traditional 3- and 4-tiered offerings. Features include:

- ◆ A 4-tiered plan design with Tier 1 and 2 drug coverage options for most conditions.
- ◆ Approximately 50% less premium cost when compared to traditional Rx plans.
- ◆ A higher member cost share for specialty medications (used by 1% of members).
- ◆ Placement of 9 medication classes with multiple generic or over-the-counter alternatives on Tier 4 to encourage prudent use of lower-cost drugs, retail discount programs and over-the counter options when appropriate.

These new BrandsPlus Rx plans are only available to groups with 2 to 99 eligible employees. They can be paired with all of the basic EDGE plans as well as select plans with deductibles greater than \$1k.

Flexible Spending Accounts, Pre-Tax Premium Plans and COBRA Administration

When you purchase UnitedHealthcare's medical coverage you automatically receive these services at no additional cost to you.

- ◆ Flexible Spending Accounts
- ◆ Pre-Tax Premium Plans
- ◆ COBRA Administration

These programs are available to customers with 2 to 99 eligible employees. For more information, please contact your BGA Account Executive.

Vision for Small Group

UHC's Vision plan for Small Groups have:

- ◆ New plan designs available with higher contact lens allowances
 - \$125 for up to 4 boxes of disposables including fitting, evaluation and follow-up
 - \$150 for up to 6 boxes of disposables including fitting, evaluation and follow-up
- ◆ Plans with polycarbonate lenses covered in full - Offered in conjunction with \$105 and \$125 contact lens allowances

GUARDIAN

BGA is pleased to announce we are now a general agent for Guardian Life. The products represented include: dental, disability and life. Please contact your group account executive for a quote.

SMALL GROUP & INDIVIDUAL NEW BROKER TRAINING

Phoenix BGA Office

August 19, 2010

Tucson BGA Office

August 17, 2010

The sessions are held every month at 10:00am until approximately 12:30am. Please RSVP to:

marlana.mertz@blackgould.com for the Phoenix meetings, or lizette.vega@blackgould.com for the Tucson meetings.

From the Medicare Department

UNITED HEALTHCARE

2011 Medicare Advantage Plan

We now represent the UnitedHealthcare/Secure Horizons Senior Products!

With aging baby boomers, the Senior market is growing at an unprecedented rate. This means huge opportunities for agents selling Senior products.

Some facts:

Arizona Demographics - People turning 65 (aging in)

- ◆ 2010 - 67,436
- ◆ 2011 - 79,579
- ◆ 2012 - 83,044

Sales Opportunities

- ◆ Arizona will be one of the prominent players in AEP 2011 for UnitedHealthcare Medicare Advantage & Supplement plans.
- ◆ Over 5000 seniors will be losing their Private Fee-For-Service plans in Arizona, more than 1/3 of those reside in Maricopa County. This means an additional opportunity for agents with a UHC contract to sell plans to those seniors.
- ◆ UHC's MA plans in Arizona will be richer than those currently offered, which provides additional incentive for seniors to enroll in a UHC plan. (See attached MA plan proposal for 2011)
- ◆ Retail Initiative - booths available for placement during AEP in Walgreens and Fry's. Agents can sit in the stores and write business to any senior who walks up to the booth. This is an excellent lead generation initiative.

Additional benefits of partnering with UnitedHealthcare on their Medicare products include:

- ◆ UHC may provide leads directly to selected agents via their "Be Connected" website.
- ◆ UHC will offer co-op on mailings for only \$.20 per mail piece.
- ◆ UHC will advertise Community meetings for non-captive agents.
- ◆ UHC will pay for and mail 10 million mailers (nationwide) advertising the agent's presence in the Retail location.

To take advantage of these opportunities, please contact us for the paperwork at your earliest convenience. We will be holding meetings shortly to review the products. These meetings will be open only to those agents who have previously contracted.

For more information, please contact your Individual/Medicare Account Executive.



From the Individual Department

HUMANA (con't)

ASSURANT HEALTH

Individual Medical Product Change

Assurant Health has made the decision to make the following changes:

Individual Medical (IM) Plans

MaxPlan
RightStart
SaveRight
HealthSaver (limited-benefit
Temporary plan)

July 16, 2010 Changes

New sales will be discontinued **in all states**. Last quote, submit and receipt date is Friday, July 16, 2010 @ 10pm. Eff. Dates thru 8-28-10.

In addition, Assurant Health will no longer offer child-only plans* for all IM and Assurant Affordable Health Access plans. The last receipt date for child-only plans is July 16, 2010.

BGA

BGA is your exclusive source for the Delta Dental individual plan. For additional information, please contact your BGA individual account executive.

Contests, Bonuses & Commissions

HEALTH NET

Arizona IFP Napa Event

Imagine yourself in a four diamond vintage resort, breathtaking views all around you, picturesque vineyards and an overwhelming array of attractions – golf, spa, wine tasting, hot air balloon excursions and more.

This exclusive getaway can be your reward for selling Health Net's Individual & Family Plan products.

Mark your calendar now:

Health Net's 2011 IFP Sales Leaders' Conference
At the prestigious Villagio Inn and Spa in the heart of Napa Valley, California
April 6–10, 2011

How to qualify:

Sell Health Net's IFP products. Brokers who sell the most business in 2010 (January 1 through December 31, 2010) will be on their way, along with a guest, to one of the premier destinations in the United States – Napa Valley, California!

More details will follow soon. Call your BGA Account Executive with any questions.

HUMANA

New Small Business Bonus

You can earn up to a \$25,000 bonus for placing small group Humana medical and specialty plans with effective dates of coverage between July 1, 2010 and January 31, 2011. Bonus applies to groups with 2-99 eligible employees. Here's how to qualify:

Humana medical products:

\$20,000 for placing 20 or more cases
\$10,000 for placing 10 cases
\$3,000 for placing 5 cases

Humana specialty benefits:

\$5,000 for placing 40 or more lines of coverage
\$3,000 for placing 30 lines of coverage
\$2,000 for placing 20 lines of coverage

If you place a case during Underwriting Days, you'll also receive:

- \$250 for a new medical case with 2-50 enrolled employees
- \$1,500 for a new medical case with 51-99 enrolled employees
- \$50 per specialty line of coverage

Humana believes that agents should fully disclose to the insured or applicant the programs under which they are compensated including base commissions, bonuses, incentives or other forms of remuneration for which the agent is eligible for the sale or renewal of insurance products. Humana determines each case's effective date of coverage and eligibility for this promotion. Bonuses will be charged back for qualifying coverages that terminate before their first anniversary. The transfer of an in-force Humana coverage or placement of a renewal does not qualify for the agent for payment under this promotion. An agent of record may earn up to one bonus payment under this promotion. The number of cases and coverages placed during this promotion is measured according to agent of record listed on the employer group application, and production across agents of record will not be combined for the purposes of this promotion. Individual products are excluded from this promotion, except for those issued as part of a Workplace Voluntary Benefit offering. Cases split into subgroups to segment business units or locations are combined as one case to determine eligibility for this promotion. In cases where commissions are split between two or more producers, the case count is prorated according to the commission split percentages. All of the provisions of the Group Producing Agent or Agency Contract and Producer Partnership Plan apply to this bonus promotion. Humana may modify or terminate this promotion at any time without notice. Humana is the final arbiter of any issues related to this promotion. Bonus will be paid by the end of April, 2011.

HumanaOne Compensation

Due to the impact on the health insurance market that the Patient Protection and Affordable Care Act has caused, in particular because of the 80% minimum loss ratio requirement effective for the individual market January 1, 2011, Humana will make changes to HumanaOne compensation made to agents or agencies.

Humana plans to take the following steps for HumanaOne individual medical policies, including any HumanaOne individual life term rider coverage issued with a HumanaOne individual medical policy ("HumanaOne policies"):

- ◆ On January 1, 2011, and thereafter, Humana will reduce commissions, including overrides and override commissions, for HumanaOne Policies with an initial effective date of coverage on or after August 15, 2010; and
- ◆ On or about December 1, 2010, Humana will notify you of the new compensation available for HumanaOne Policies including specifically the new commissions and overrides available for HumanaOne Policies with initial effective date of coverage on or after August 15, 2010.

This notice applies only to HumanaOne as defined above. Terms of Humana's 2011 commission for employer-based insurance products will be communicated later this year.

This 'N That

BLACK GOULD COMMISSION DEPT.

Stop Payment Fee

Black, Gould & Associates are going to **start** charging a \$30 fee for stop payment on lost checks. We'll allow one per year, per broker before we begin charging them. The best way to avoid this is to sign up for direct deposit. The form is located on our website at www.blackgould.com or you can contact our commission department at commissions@blackgould.com.



Calendar of Events

BGA

Health Care Reform 1 Hour CE Credit Seminars

BGA is sponsoring a 1 Hour CE credit seminar on the 2010 immediate impact provisions of Health Care Reform. **Preregistration and prepayment of \$35.00 is required.** Go to www.bgaevent.com to preregister and prepay. **Walk-ins will not be accepted.**

Phoenix

Tuesday, August 10, 2010

10:00am—11:00am

Phoenix Country Club

Flagstaff

Monday, August 23, 2010

10:00am—11:00am

Radisson Woodlands

Tucson

Thursday, August 26, 2010

10:00am—11:00am

Tucson Country Club

GPAHU

Monthly Speakers Luncheon

Tuesday, August 17, 2010

11:30am – 1:00pm

Location: Phoenix Country Club

7th Street & Thomas Rd.

Phoenix, AZ

RSVP: info.gpahu@cox.net
\$30 members/\$45 non-members

SAAHU

Monthly Speakers Luncheon

There will not be a monthly meeting in August.