



Brokers Make a Difference

NAHU Member Survey

Every day, hundreds of thousands of professional health insurance agents and brokers help individuals and employers purchase health insurance coverage that best fits their specific budget and health care needs. More importantly, agents and brokers help their clients resolve day-to-day issues that may arise after the policy was sold. As benefit specialists, health insurance agents and brokers design benefit plans, resolve claims disputes, conduct enrollments/terminations, assist with COBRA administration, and solve complex billing issues. Agents help design and implement cutting-edge health promotion and wellness programs and help their clients comply with state and federal laws like PPACA, HIPAA, COBRA and ERISA.

In the midst of this massive health care overhaul, the agents' role as advisor and educator is even more critical. A new survey conducted by the National Association of Health Underwriters (NAHU) confirms this. According to the survey of more than 3,300 of its members, more than 50 percent spend half of their time providing service to their clients outside of the sales process.

Almost 95 percent of all respondents assist with claims and billing issues and nearly 90 percent help clients with compliance information on a daily basis.

Health insurance customers that use agents report being satisfied not just with their insurance, but also with the work performed by their agents—especially when it comes to the agent's role in finding the right policy.

NAHU conducted another study of small businesses nationwide that found positive attitudes about agents. Most small businesses that offered insurance to their employees used an agent (75%). More than half of the companies that had used an agent described the relationship with the agent as close or friendly (53%). One half of the companies that used agents said it was unlikely they would ever stop using them, "citing the agent's knowledge as the biggest reason why."

According to 72% of the companies, agents helped them deal with claims and other insurance-related problems long after insurance had been purchased. More than half (54%) said that agents took calls directly from employees or met directly with employees (57%).

Given our successful record of support and service on behalf of consumers, patients and employers, we would have strong concerns

with any legislative or regulatory proposals that would deprive access to the services of professional agents and brokers.

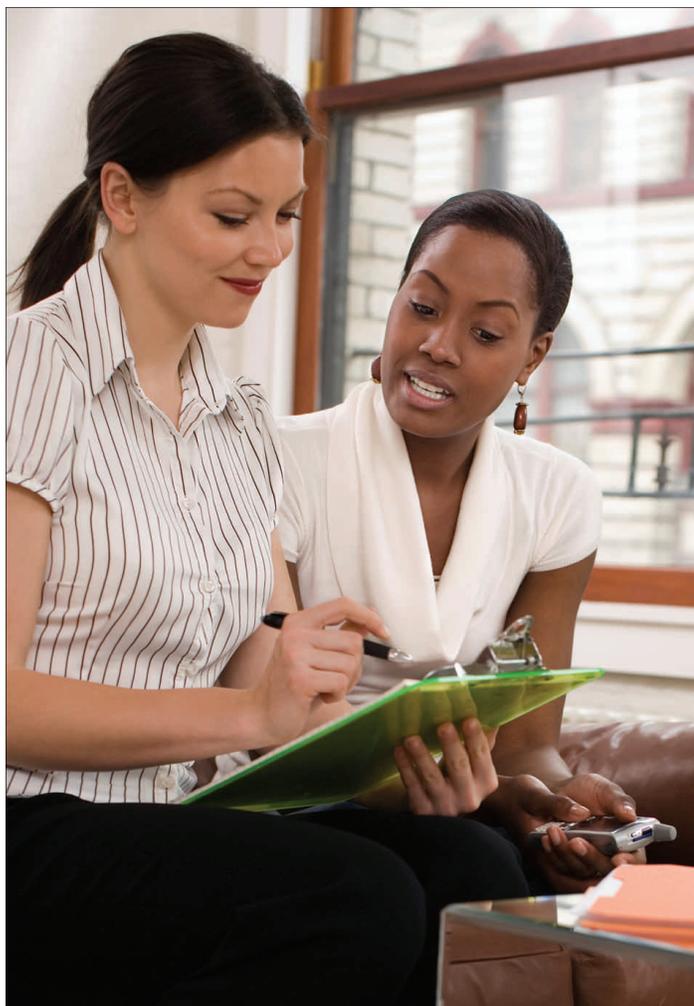


"We are not your typical salespeople. We go to the hospital after a child has been born to add them to an employee's health plan. If it is more cost effective, we go back in a week or two to the client's house and help them move that child to an individual plan. We meet with our clients every year to discuss renewal options no matter how large or small the client might be. We handle claims issues, billing issues, enroll new hires, provide COBRA administration, and host benefit fairs. A large portion of our time is spent helping our clients understand new government regulations and what they can and cannot do with respect to their benefit offerings."

—WILL CHAPMAN (Louisiana)

"As the standards for implementing national health reform are being developed, it is essential that they recognize and protect the indispensable role that licensed insurance professionals play serving consumers."

—NAIC RESOLUTION (August 17, 2010)



“The initial sale is such a small part of what we do for our clients. We check on their preferred doctors so they will be able to select the correct plan. We conduct on-site enrollment meetings explaining the plan to their employees and helping them enroll. We follow up with the insurance carrier to be sure everything is being processed properly. We enroll or terminate employees online for our clients so they can concentrate on their business. We provide complex service and advice and keep current on compliance issues and changes to insurance companies, their policies, plans, and rates. When it is time to renew the plan, we help our clients review the market and make the right choice for them - stay where they are, change their plan or change their carrier.”

—KATHY WALCZAK (New York)

As an individual or as a business owner, you don't pay any more for employee benefits purchased through a broker than you would if you purchased the coverage directly from an insurance company. Insurance carriers set aside a small portion of the premium to pay brokers a commission, which covers not only the selling of the plan but much of the servicing required. An agent continues to receive commissions as a plan is renewed, so it's in his or her best interest to keep the client happy. This type of competition drives and enhances the service provided to health care consumers.

The National Association of Insurance Commissioner (NAIC) recognizes the essential role that health insurance agents and brokers serve in our health system. To further their commitment to agents and brokers, the NAIC's Executive Committee recently agreed to establish a joint task-force with the Department of Health and Human Services (HHS) to further examine the critical role that health insurance agents and brokers play, and determine how that role can be preserved in our new health care system.

As members of a profession that requires a license and has stringent educational guidelines, agents and brokers serve more as advocates for clients than simple sales people. Many health insurance buyers continue to use their agents long after they've purchased insurance. Having an agent or broker to advise them on their health care needs is the ultimate consumer protection because there is no better way to protect the consumer than to have an expert on their side. Without the assistance of health insurance agents or brokers, health care consumers would be left alone to deal with the ever-changing landscape of our health care system.

NAHU is a national association working solely on behalf of health insurance agents and benefit professionals. NAHU requires each of its members to make health care coverage recommendations with the customer's best interest in mind. Professional insurance agents work very hard to provide their clients with the best possible service and price for their insurance products.

For more testimonials on NAHU members helping individuals and employers find affordable health insurance, please go to www.brokersmakingadifference.org.

