

HEALTH HAPPENINGS



SANTA BARBARA ASSOCIATION OF HEALTH UNDERWRITERS

Mission Statement: To promote fair and ethical industry practices and support Central Coast health insurance professions

President's Message

By Kim Novak

This is that special time of year where I am really proud to be a member of SBAHU. On Dec 20th we arranged another visit from **Santa, Mrs. Claus** and a team of **Elves**, to deliver toys to the Cottage Hospital Pediatric Ward. We raised a significant amount of money. Most of you who committed donations have already paid, but some haven't. Please send your checks, payable to CAHU CCF, to us as soon as possible.

One of the goals of the Santa Barbara Association of Health Underwriters is to provide education and information to the health insurance professionals in our community. With that being said, I want to thank **Shawn Braun** for putting together some wonderful programs so far this year. We have had a legislative update from **Alan Katz**, we learned the latest on Long Term Healthcare from **Larry Moore** at John Hancock and had an informative CE meeting on HSAs and HRAs from **Bonnie Yatabe** at United Healthcare. We have several more CE's and informative programs coming up!

Thank you to **Phil Gulley** our Legislative Chair. He has been keeping us updated with all the Legislative activity going on in Sacramento. Watch your e-mail for Operation Drumbeat – it only takes 5 minutes to reach

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legislators in our community and make a difference. Last week our legislators received over 400 responses to the current legislative proposals. If you would like to see the governor's health reform plan, go to <http://www.fixourhealthcare.ca.gov/plan>.

Again, I want to thank all of our wonderful volunteers that help our organization run smoothly on a monthly basis. We are currently looking for additional people for the SBAHU board for the 2008-2009 year. Please let me know if you are interested. **The more people we have involved in our association the more effective our association will be.**

I hope you had a wonderful holiday season. Let's make 2008 a successful year!





12th Annual SBAHU Golf Tournament

Monday, April 28, 2008 - 12:00 p.m. Shot Gun

10:30 a.m. Registration & Contests

Registration Form

Name: _____ Ph: _____

Company Name/Address: _____

Email: _____ Fax: _____

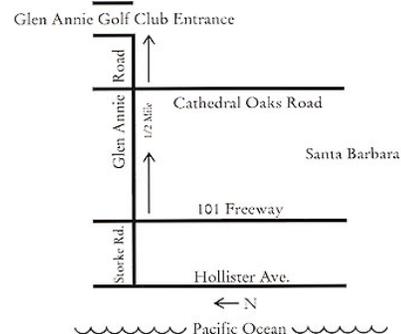
Platinum Sponsor (Includes tee and 2 players)	\$1000	\$
Tee (hole) sponsorship @ \$250 each		\$
Beverage Cart sponsorship @ \$750		\$
Meal sponsorship @ \$750		\$
Event sponsorship @ \$1000		\$
Prize sponsorships @ \$100 each		\$
Give-aways (please provide 100 each) Specify items:		
Non-players for Tri-tip/Chicken BBQ (\$20 per person)		\$
Tournament Players @ \$150 Each		\$
Golfers: 1)	2)	
3)	4)	
Please make check payable to: SBAHU		TOTAL \$
Mail to: SBAHU, P.O. Box 30654, Santa Barbara, CA 93130		
Contact: Kim Novak kimn@warnerpacific.com or Casey Tadlock caseyt@integratedins.com with any questions.		



405 Glen Annie Rd., Goleta, CA
(805) 685-3896
www.glenanniegolf.com



Directions



SBAHU March Meeting

“The Rewards of Wellness”-

Redefining Workplace Wellness

CE # 197258

Presented By: Nationally acclaimed Author, Speaker and Wellness Motivator: Michael Framberger, President

NATIONAL CORPORATE WELLNESS

Join us for a fun and enlightening program!
Come earn 1 hour of CE credit and learn:

- --How to Reduce Workers Comp injuries and costs
- --How to reduce Healthcare costs and absenteeism
- --How to increase productivity and morale
- How to offer value-added service to your clients by offering wellness programs
- Everything you need to be a “wellness expert” through proper referrals in our program

Wednesday, March 12, 2008,
Hotel Mar Monte, Santa Barbara
12:00 - 1:30 pm

RSVP to betty@nettchampion.com or kimn@warnerpacific.com

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Charlotte's Closet

By Hans Kardel

Since SBAHU elected to hold meetings in northern Santa Barbara County, our members and the board have committed to supporting Good Samaritan Shelter Inc (GSSI). This has resulted in a swing set, cots, kitchen ware, bedding, clothing and toiletries.

Sylvia Barnard, Executive Director of Good Samaritan, discussed Good Samaritan's efforts to end homelessness and substance abuse at the June 2007 meeting in Grover Beach. She received a donation from SBAHU and its members for a new project entitled "Charlene's Closet". This is a new project for Santa Maria modeled after the Unity Shoppe in Santa Barbara. The Unity Shoppe is an amazing place where families can go and pick out what they want to feed their families and parents can pick out toys at Christmas. "It gives the client dignity of choice, and the reason I know what a difference this program makes is because when I was a single mom on welfare 15 years ago it is the one program that helped me the most," says Ms. Barnard. "At that time, a woman named Charlene Chase (former Director of Department of Social Services for County of Santa Barbara) took me under her wing on a project that I was developing to help other single mothers improve their lives through higher education". Ms. Chase passed away this year but her love for children and the underprivileged will live on through the Santa Maria programs commemoration of her.



GSSI found the community very generous each year in donating toys and items for their homeless children during the holiday season but it resulted in Christmas coming from the community and not the parents. This year Good Samaritan decided to develop a free toy store so that the parents can pick out what they want to give their children for Christmas. In addition, GSSI is also changing the food pass out program to be incorporated into Charlene's Closet. Families in need will come through the free grocery store and pick out what they want to feed their family that will prevent wastefulness and give them the choice with dignity and respect.

Charlene's Closet is now open to serve the Santa Maria community at 122 West El Camino, Santa Maria. Thanks to everyone for their support.

ABX11 Health Insurance Reform for California

National Presidential Candidates plans to change Healthcare (and Insurance)

By Phil Gulley, Leg Chair

Neil Crosby, CAHU President shared the following good news last week: **AB1X-X(Nunez)** was defeated in the Senate Health Committee today on a 7 no votes, 1 yes vote and 3 not voting hearing. This is a stunning reversal of fortune for the Assembly Speaker Fabian Nunez and Governor Arnold Schwarzenegger. Its down fall began last week when Senator Sheila Kuehl the Chair of the Senate Health Committee held an 11 hour hearing on the bill. A financial analysis prepared by the Legislative Analyst Office was the opening presentation. It was a devastating report which in the end not only challenged the rose projections being used by the Governor's office it showed a \$4 billion dollar deficit in year 4 of the program. The bill (all 210 pages) was broken down into sections and a full hearing was had on each section. It was immediately clear there were more stake holders opposing than supporting. A vote was scheduled for that day but at the request of the President Pro Tem Senator Don Perata the vote was postponed until today in the hopes of getting more support. Unfortunately for the Speaker the support continued to erode leading to today's vote. Not in my 15 years working in the capitol have I seen a bill with that much momentum so thoroughly defeated. Do not think we have won! We will see many of the provisions in AB1X-X introduced this year as stand alone bills. I expect to see a bill on "medical loss ratio" restrictions, individual underwriting prohibitions or restrictions, GI in the individual market place, small group reform and possibly a state run connector to arraign for and market all individual products. We dodged the big one and now it is time to gear up for the aftermath.

For Updated and Informative Info please see CAHU's Capitol Rap: <http://cahucapitolrap.blogspot.com/> and my favorite: The Alan Katz Health Care Reform Blog: <http://alankatz.wordpress.com/>

Long Term Care Planning Notes

by William "Bud" Bridgers

Poll Results: Voters Want LTC Included in Healthcare Proposals by Presidential Candidates

The results of a new bi-partisan national survey, conducted by Public Opinion Strategies (POS) and The Mellman Group, show that close to 80 percent of Americans want to see long term care included in the healthcare proposals offered by the presidential candidates. More than 80 percent of those surveyed also said that positions on long term care funding will be an important factor in deciding who to vote for in the 2008 election. The polling also showed that Americans are very interested in improved tax incentives for the purchase of private long term care insurance.

Designing the Best Plan

Many agents are reluctant to advise clients about long-term care insurance because they are not sure what the best coverage design might be, given individual and family situations. While every case is different, there are some general 'rules-of-thumb' derived from claims studies over the past several years that might be of help:

- Set the "Maximum Daily Benefit" (MDB) or "Maximum Monthly Benefit" (MMB) to be in line with the current cost estimates for the place that the insured will most likely be when they might need care. Ask about this. The insured may choose to be closer to family or may admit that they would likely move to a place where care is less costly than where they are.

Is Partnership LTC Insurance the Best Choice?

Partnership long-term care plans can be a valuable addition to middle-class retirement plans. Because of the coordination with state- and federal-funded health care, they provide an added safety net of asset protection for the patient in need of long-term care. But, are they always the best solution to the long-term care funding problem?

Partnership-approved plans of long-term care insurance provide a new, higher threshold for determining eligibility for MediCal assistance for facility care (nursing home care). If you have a *non*-Partnership LTC plan and you exhaust the pool of money and still need care, you have to pay costs from that point forward out-of-pocket. To qualify for state aid (MediCal), you have to spend down your non-exempt assets to approximately \$2000 and income cannot be more than about \$35/month. You then become "impoverished" and, if you are in a rest or nursing home, MediCal will pick up the tab. (MediCal aid for home care is negligible.)

If you have a Partnership LTC plan, the amount of money paid out to you by the insurance carrier 'raises the floor' of impoverishment to a new level. So, if you have received, say, \$300,000 from the LTC carrier, the pool is exhausted, and you still need care, you pay out-of-pocket until your non-exempt assets reach \$302,000 and your income is approximately \$35/month. The Partnership plan 'protects' your non-exempt assets and MediCal then pays for the cost of nursing home care. (Note that Partnership plans do NOT protect income. To qualify for MediCal, you still have to meet MediCal income guidelines.)

We Salute You!



Bud Bridgers from Pacific Southwest Financial, A Capitas Financial Partner sponsored the October Meeting. Larry Moore, Regional Director -LTC was the presenter.

- Suggest a shorter "benefit period". Recent claims experience shows that less than 10% of all patients require long-term care beyond 5 years. Exception: those with cognitive impairment or Alzheimer's disease in their family history. Those people may want to opt for longer benefit periods.

These first two planning ideas are sometimes referred to as "fat & short" to help advisors remember them.

- Don't forget to thoroughly explain the optional benefits (extra-cost riders). Often, you will find that applicants are very interested in such features as 0-day elimination period for home care, or survivor waiver of premium, or shared-care, any of which might not be provided in the 'basic' plan of standard features.

As with all rules-of-thumb, these design suggestions do not fit every situation. Important to all long-term care discussions is a thorough understanding of the candidate's financial situation, future plans, values, and attitudes. More design ideas next time.

Partnership plans require that people under a certain age (it varies by state) must include the 5% compound benefit increase rider (BIR), and that people over a certain age can opt for either the 5% compound BIR or the simple/equal BIR. An increase rider must be on the policy to qualify for the asset protection of the Partnership.

Therefore, an important point to consider in recommending Partnership or non-Partnership involves cost containment. A person who has paid into a Partnership plan for 30 years or more may want to reduce the premium. If they drop the required BIR, the policy ceases to be a Partnership plan. The pool of money remains intact, but the asset protection factor is lost. (This is not a carrier decision, but rather a state government decision. Personally, I hope this changes in the future.) If future cost is a consideration, a non-Partnership policy may be a better choice.

If the Partnership-insured moves to a non-Partnership state, the asset protection feature is also lost because Medicaid is state-specific. Of course, the other policy features and benefits will not be affected by moving from one state to the next. (Someday, Partnership reciprocity may occur, but it doesn't currently exist between states.)

Partnership plans provide an additional level of asset protection and are worthy of consideration by the advising insurance professional. But, careful assessment of your client's current – and future – lifestyle, location, and income projections are critical in designing a plan of insurance that will be suitable, affordable, and provide the life-long protection for which it was designed

*D*uring the past 25 years, there is one thing that has remained unchanged in the health insurance industry. *Our commitment to agents and brokers.*



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U P C O M I N G E V E N T S

VCAHU 14th Annual Sales Symposium – “Mardi Gras”

Friday, Feb. 22, 2008

Courtyard by Marriott, 600 E. Esplanade Dr., Oxnard

8:00 am to 2:30 pm

Turning Adversity into Advantage

Keynote Speaker: Sarano Kelley

Members: \$35 Non-Members: \$50

RSVP Required

For more information contact:

Jason Herbison, jherbison@lisibroker.com (805) 758-8850

LAAHU Sales Conference – Marketing Madness

Tuesday, April 8, 2008

Pasadena Convention Center

Keynote Speaker: Jeffrey Gitomer #1 Sales Guru and Motivational Speaker

Includes 8 Additional Breakout Sessions

Get in the Game, Aim High and Score!

For more information contact:

Shauna Dickson at (800) 676-1628

SHARING IS DEFINITELY CARING!



Santa & Mrs. Claus visit a new baby in the pediatric ward (above). A young boy waves to Santa after receiving a bear (above right). Santa and Mrs. Claus hand gifts to a young girl (below) and Santa waves goodbye after his visit. Photos taken by Steve Malone/News-Press Photos



For those of you who didn't see the article and photos in the Newspress, it was another fabulous and touching event!

Jaynie Wood wrote a lovely letter sharing her appreciation for our dedication, which we will share at the next meeting.

Thank you for all your generous contributions. With your support we put smiles on many children's faces. The toys purchased will be shared all year long with children in the hospital.

If you haven't shared in this terrific experience, please join us this coming season.

MEMBERSHIP – Safety in Numbers!

The total membership as of January is 54.

New Members in 2007

- January: Beckie Bryce - Ogilvy-Hill Insurance
- February: Cindy Torres - BB&H Insurance
- February: Casey Tadlock - Integrated Insurance
- July: Esther Marcial - Delta Dental
- September: Linda Cohen, Independent Broker and Steve Milam - Peters & Milam Insurance Services
- November: Melissa Vang - Beneflex
- December: Carolyn Cochran - Blue Shield Associate Member: Mike McCarey - Colonial

Renew your membership on line! www.nahu.org



“Blue Shield”

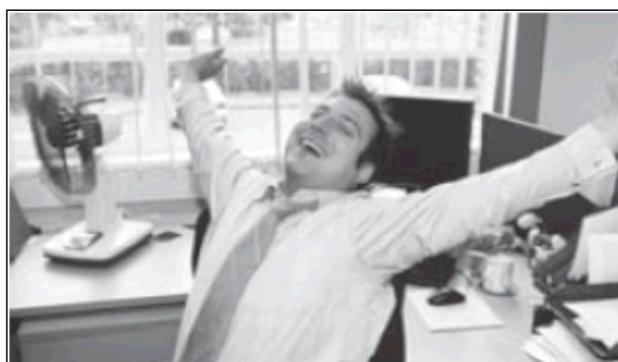
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Thank you for making sure decision makers and opinion shapers know we intend to be a part of the health care reform debate. By participating, we make sure they know we have a perspective they need to understand. We make sure they know we need to be part of the solution.

Make your voice heard!
Check out www.cahu.org regularly!

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- Medicare Supplement Plans
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- HSA-Compatible Plans by BC Life & Health Insurance Company
- Integrated Workers' Compensation by Employers Compensation Insurance Company

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*Wishing you a very
prosperous 2008!*



SAVE THE DATE!

*Weds., Feb 13, 2008 in SB and Thurs., Feb. 14,
2008 in SLO at the Pelican Point/Shorecliff
Lodge*

RSVP: betty@netchampion.com

Calendar of Upcoming Meetings

- February 13 – SterlingHSA – Employer Best Practices, CE Course #191378
- February 14 – **In SLO!** SterlingHSA – Decision making Implications for HDHPs and HSAs, CE Course # 197398
- February 22 – Ventura Sales Symposium – Courtyard by Marriott, Oxnard, CA
- March 12 – Mike Framberger – The Rewards of Wellness, CE Course # 197258
- April 8 - LAAHU Sales Conference – Pasadena Convention Center, Pasadena, CA
- April 9 – Member Meeting
- April 28 – 12th Annual Golf Tournament – Glenn Annie Golf Club – 12 o'clock Shotgun!
- May 19 & 20 - Day at the Capitol – Sheraton Grand Sacramento Hotel, Sacramento, CA



SBAHU

