



**ALLIED**  
NATIONAL

# BULLETIN



AN ALLIED NATIONAL SALES AND MARKETING PUBLICATION

January 2019

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## HealthChoices - New Way to Save 6.5% on Premiums



HealthChoices

What employer wouldn't want to save 6.5% on their Funding Advantage premium and improve the potential to save more money on their claims fund?

Introduce them to Allied National's HealthChoices! HealthChoices is a new benefit option designed to improve health care while lowering costs for our Funding Advantage members. Members are encouraged to seek high quality, cost-effective care and in return are rewarded with lower monthly premiums and reduced or eliminated out-of-pocket costs for covered services. Benefits and care are greatly enhanced for members who use these services, but for those who don't, benefits may be treated as out-of-network and reduced.

The HealthChoices benefit option will be available soon. We know you'll want to learn about this new Funding Advantage benefit. [Register](#) today to join us for a **free HealthChoices webinar for agents**.

**10 a.m. (CST)  
Monday, Feb. 11, 2019**



## Affordable Individual Health Plans Available Today



ACA open enrollment is closed for the year, and it is estimated that the 2019 open enrollment continued the downward slide by enrolling approximately 367,000 fewer people than the 2018 enrollment. How are you helping your individual clients find coverage today?

**Pivot Health** has affordable options ready for your clients all year long. These plans vary in both coverage and price and can be tailored to meet any budget or need your clients have. Below are three great plans.

### Pivot Health Short Term Medical

Pivot Health Short Term Medical (Pivot Health STM) has some terrific benefits and features for your clients. One of the most exciting features is that clients have the choice of a 4x3 (four 90-day policies) plan or the 364-day plan. ID cards and Certificates of Insurance are issued immediately online.

Other great Pivot Health STM options include:

- Office visit copay plans.
- Prescription drug plans.
- Lifetime maximum options from \$100,000 to \$1 million.

- Coverage for athletic injury from interscholastic or intercollegiate sports.

Pivot Health STM is underwritten by Companion Life and is available in: AL, AR, AZ, DC, DE, FL, GA, IA, IL, IN, KY, MI, MS, NE, OH, OK, PA, TN, TX, VA, WI, WV, WY.

### **Pivot Health Core Short Term Health**

The Pivot Health Core Short Term Health plan is a good fit for healthy adults who don't want to spend a lot of money and dislike high deductible plans. Pivot Health Core helps cover everyday medical expenses like doctor office visits and, optionally, prescription drug costs. It also provides fixed indemnity benefits for major services like hospital stays and surgeries.

Members have access to First Health®, a large PPO network, which allows them to see doctors across the nation. Duration options are the same as Pivot's other short-term medical plans.

The Pivot Health Core plan is underwritten by Companion Life and is available in 14 states: AL, AR, AZ, DE, GA, IL, IL, KY, MI, OH, OK, PA, WI and WY.

### **PivotCare Elite**

PivotCare Elite Fixed Indemnity Benefit Insurance, a limited benefit health coverage plan, allows individuals to choose the level of coverage they need and can afford. Cash payments are made for both sickness and accidental injuries.

What sets PivotCare Elite apart from the competition?

- Five affordable plans that offer a variety of benefits at rates.
- No insurance deductibles or coinsurance limits to meet.
- Set dollar amounts for doctor office visits, hospital stays, lab work and more.
- No specialist referrals required.
- One of the nation's largest provider networks.

PivotCare Elite is underwritten by the Standard Life and Accident Insurance Company and is available in: AR, AZ, DE, GA, IA, IL, IN, KS, KY, LA, MI, MO, MT, MS, NC, NE, NM, NV, OH, OK, PA, SC, SD, TN, TX, VA, WI, WV, WY.

Are you ready to add individual fixed indemnity or short-term medical plans to your portfolio? Call Sales Support at 888-767-7133 to get your personalized links for all three products and start selling today.

## **Why You Might Need to Request Higher Commission** *By Dan Meylan, National Sales Director*

Insurance policies are sold as a transaction, but the financing of health care risks involves more than just a transaction. It requires an investment of time, expertise, relationship building and ongoing strategic involvement with a client. As complexity increases, and costs continue to rise, the commissions being paid often are inadequate to properly compensate the professional health care advisor.



Here's another way to look at it. The value proposition of an agent is a spread sheet. The value of a health care advisor is a long-term solution — including ongoing professional support to manage that solution. The true health care advisor who brings value beyond the spread sheet is entitled to more than a commission. The key question is how much more?

With Allied National's level-funded product, Funding Advantage, we enable the health care advisor to adjust their compensation to appropriate levels by including their costs in the monthly billings to the employer. For instance, for a submission that is under 25 lives, the Allied National default compensation for the retail agent is six percent of the monthly billing; and the General Agent receives a percentage of the default of the retail

commission. If the agent or General Agent is offering ancillary support services, the standard commission compensation might be inadequate for those services. Those support services can include access to a Human Resources platform, periodic review of claims and administrative support to the claims process, department of labor and ERISA compliance support, employee education and training, and strategic planning.

So, the prevailing question is, "What is appropriate compensation and how should it be determined?" Unfortunately, the answer is not simple. The fundamentals require that the agent establish an hourly billing rate that reflects their professional value — much like an attorney or accountant. The second step is to determine and track exactly how many hours a particular client will absorb of a producer's or staff member's time in a 12-month period. Is that 20-man hours, 40-man hours, 60-man hours or 100-man hours?

Many of us who have been in the business for a decade or more have had the experience of a client who generates \$1,000 in commissions and consumes \$5,000 of our time. Most of us will not fire that client. However, the right thing to do might be to charge them \$5,000 on a fee-for-services basis, hoping that they decide to leave. If they stay, now we're being paid appropriately for our time and expertise.

To indicate that you need a higher compensation, simply write in the new rate on [Allied's Case Transmittal Form](#). See details in the following article.

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## Allied's Transmittal Form: Your Key to Requesting Higher Compensation

Sometimes, when you're talking to a potential client in their office, it's obvious you've been handed a case that is going to require a large outlay of time and resources. When that happens, it's not unusual to want higher compensation. Allied has default compensation for every Funding Advantage case, but you can request more (or less) on any case. It's just built into the final rates for the group. When you submit the group to Allied, make sure you indicate the higher compensation level for the General Agent and/or agent on the back page of the new [Allied Underwriting Transmittal Form](#).

If you'd like to see an estimation of the impact on the group's rates for an increase in compensation, just add the extra comp into the Rate Adj Load field in the WINAllied proposal software. If you're asking for two additional points of comp, just put 1.02 in the Rate Adj Load field. Final rates from Allied will be slightly different because of rounding, but this will show you and your client the impact of the compensation change.

The image shows a screenshot of the WINAllied proposal software interface. The 'Loads' section is visible, containing three input fields: 'Add Load' with a value of 0.9, 'ML?' with a value of 1, and 'Rate Adj Load' with a value of 1. The 'Rate Adj Load' field is circled in red.

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## Check Out Dental Design's Lower Rates

Quote dental today! Allied National's WINAllied proposal software has been updated to reflect our 20% Dental Design rate reduction that took place on Jan.1.

This stand-alone dental plan, underwritten by Fidelity Security Life Insurance Company, offers outstanding plan



## Check Rates

options including vision.

Designed for groups of 2-99, Dental Design offers affordable dental insurance benefits and many plan options that allow groups to choose the type of coverage that best fits their needs and budget.

### Dental Plan Features

- Members can choose any dentist for services without a penalty. However, the Aetna Dental PPO Network is automatically included. Voluntary use of its dentists may help reduce coinsurance costs and eliminate balance billing by the dentist.
- 100 percent preventive care benefits with no deductible.
- Orthodontia benefit option.
- Takeover benefits available.
- Choice of deductible and benefit maximums.

### The Eyes Have It

Dental Design also offers a vision plan option for plan participants and their dependents. Several plan options are available to fit the benefit needs of every group.

Once dental plan participation has been reached, plan participants may elect the vision option (including employees who have waived dental coverage).

### Vision Plan features

- Choice of Silver, Gold or Gold Materials Only plans
- In- or out-of-network benefits
- Exams, lenses, frames and contacts covered

Vision plan benefits are administered by National Vision Administrators. Allied National provides eligibility and billing administration.

The new Dental Design plan is currently available in: AL, AR, AZ, GA, IA, IL, KS, MO, NC, NE, NV, OK, PA, SC, SD, TN, TX, WI, WV, and WY.

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## Q&A — Underwriting Phone Calls

### Q. Why did Allied's Underwriters Call My Client's Employees?

A. We're glad you asked! During the submission process, we strive to get rates to you and your client as soon as possible. Sometimes our Senior Underwriters need to call some of the company's employees to gather more medical history information before setting the final rate. To save time, we don't involve the agent in this process because doing so usually adds two to three days to the process. The only time we do involve the agent is if after two failed attempts to contact the employee.



To streamline the process even further, we have developed some new terminology and a new [Underwriting Transmittal Form](#). The form allows agents to choose how quickly they want to receive the rates. For instance, the "Introductory Rate" is the quickest. To get to a "Provisional Rate" or a "Signature Rate" an Allied National underwriter will need to make phone calls.

You, as the agent, need to advise the employer on every new submission sent to Allied National that they should advise their employees that they may receive a call from an Allied underwriter.

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## The ACA is Here to Stay – for the Foreseeable Future

The Affordable Care Act (ACA) is still law, even though a federal court judge in Texas

ruled that the law was unconstitutional. It probably will take a decision by the Supreme Court before we know for sure whether the Obama health-care law will remain in place.

U.S. District Judge Reed O'Connor concluded that all of the ACA is invalid because of a recent change in tax law. A massive tax bill, passed by Congress at the end of 2017, included a provision that eliminates an ACA penalty imposed on Americans who did not comply with the law's requirement that they have health insurance. A number of Republican attorneys general filed a lawsuit arguing that without the penalty the ACA's insurance mandate, the ACA was no longer constitutional, because it no longer grew out of Congress's taxing authority. O'Connor agreed saying that the individual mandate is the linchpin of the law.

House Democrats took the first step in intervening in the court case, which allows chamber's counsel to work on the litigation. The House maneuver came hours after a coalition of Democratic attorneys general appealed O'Connor's ruling. O'Connor has agreed that the law will remain in force pending the appeals process.

## Quick Links



**Sales Support**  
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**State Product  
Availability Map**

View and link to Allied products  
available in each state.



**WINAllied  
Proposal Software**

Get current proposal software  
and information. Keep updated!

