

# New Orleans Association of Health Underwriters



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## News You Can Use

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### June Luncheon

**Elections & Awards**  
**Friday, June 11th**  
**Andrea's Restaurant**  
**11:30 Cash Bar**  
**12:00 Lunch**

*\*\*\*Not a CE Luncheon\**

[Click for info or to RSVP](#)

**Have you been getting HIU Magazine? All members receive a free subscription. If you are not getting yours, your contact information may need to be updated. Click here to check out if you information is outdated:** <http://nahu.org/member/index.cfm>  
**Just follow the directions- it's easy!**

### **Is your membership expiring soon?**

Take the easy route & renew online! All you need is a credit card! Also, consider monthly credit card or bank account drafts! Setting it up is easy!!! Click below to renew online!

<https://www.nahu.org/members/invoice3.cfm?chapter=LANEWORLEANS>

## **NAHU National Conference**

**Join us in Baltimore from June 10-12, 2004 at the Waterfront for NAHU's National Conference. For more information, click here:** <http://nahu.org/meetings/Conventions>

Featured guest speakers are Mrs. I (the Cookie Company!) and Former Quarterback, Joe Theisman. The conference features over 100 companies from all over the country in all segments of the industry. A highlight of the conference is the Gordon Memorial Formal Dinner/Dance where the top honor, the Gordon Memorial Award, is awarded.

The financial statements of the chapter are available for review by members in good standing. Please email [info@noahu.org](mailto:info@noahu.org) for more information.



2004 Expo Committee

## 2004 Health Care

Thank you to everyone who attended NOAHU Health Care Expo this year. The event was a big success! The feedback from attendees and exhibitors was better than ever. We had the largest attendance in the history of the event.

Attendees were treated to two spirited panel discussions. The first centered on Underwriting and featured representatives from Blue Cross Blue Shield of Louisiana, Fara Benefits and Humana|OHP. Two representatives from the Louisiana Association of Health and Hospitals and one from the Louisiana Department of Insurance proposed some ideas for solving the health care woes of Louisiana in the second half of the day.

The Board of Directors would like to recognize all of the participating vendors and our sponsors, for their support:

**Gold Sponsor:**  
*Blue Cross Blue Shield of LA*

**Silver Sponsor:**  
*Humana| OHP*  
*UnitedHealthcare*

We would also like to thank the members of the committee for all of their planning and putting on such a wonderful event. The committee included: Stephanie Booth M, Chairperson, Robin Frick- Programs Chair, Chris Buras, Kenny Collins, Cindy Osborn Schellhaas, and Jennifer Toups. As Programs Chair, Robin Frick has done an outstanding job organizing the Expo for the past 3 years. As she moves on to Public Service Chair, there will be big shoes to fill!!!!

The Expo has tentatively been set for mid-April next year. Check out pictures from this year by [clicking here](#).



### Want Input Into State's Health Care Reform Efforts? R

BATON ROUGE — Gov. Kathleen Babineaux Blanco is looking for citizens interested in joining regional health care consortiums to provide input into the ongoing effort to reform health care in Louisiana.

The regional consortiums are meant to continue the work begun in previous summits, which Gov. Blanco called for prior to the 2004 Health Care March. The groups are formalized in legislation proposed by Sen. McPherson and Rep. Sydnie Mae Durand.

"The process of changing the way we deliver health care in Louisiana is not meant to be made exclusively by the policymakers in Baton Rouge, but a decision that is made with citizens from all parts of the state who work in a variety of areas that contribute to health care," Blanco said.

The regional consortiums will be made up of an unlimited number of qualified individuals from every area of the state with an interest in both public and private health care fields and areas of expertise. The consortiums will hold regular meetings to discuss health care in their respective region and will send reports to the Governor's Health Care Reform Panel.

The Governor's Office, in conjunction with the Department of Health and Hospitals, is running newspaper ads statewide this week, advising interested citizens on how to become members of a consortium.

The Legislative Delegations from each region will select the consortium members. Citizens interested in becoming members of their region's consortium should submit a written request to their representative.

Letters should be addressed in the following format, with the correct region listed:

Region I (or other) Consortium  
P.O. Box 629  
Baton Rouge, La.  
70821

**Regions:** 1- New Orleans, 2- Baton Rouge, 3- Houma Area, 4-Acadiana, 5- SW LA, 6- NW LA, 7- NE LA, 8- Northshore

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## Angels' Place Trying to Secure Land From Jefferson Parish:

### *Looking for Letters of Support*

*Message from Anita Gilford, Angels' Place Founder.*

On June 21st, I am meeting with Mr. Aaron Broussard, Jefferson Parish President to discuss a lease for a couple of acres of undeveloped land for our beloved Angels' Place Children's residential home for lease or given in Jefferson Parish. Several clubs, including the Kiwanis, Rotaract, Sheriff Lee, Rep. Ansardi, Potpourri Homemakers Club, Rummel H.S., and more, have written letters of support to Mr. Broussard and sent a copy to Angels' Place to my attention. I would like to see more letters to show him, (in case he did not receive the letters).

Would any NOAHU members be so kind as to write a letter of support also? Thank you for your consideration.

My husband, myself, and our 22 year old son Mark (who had the cancer at 11 and who was an inspiration for Angels' Place) are in Washington, D.C. for the "Taste of the South gala" to benefit Angels' Place and I am to speak before congress on Wed., June 2nd to tell the story of Angels' Place and our children.

Thank all of you for your continued support. Together, we will build our home. Love, Anita

Send Letters to:

Aaron Broussard  
 Jefferson Parish President  
 Jefferson Parish  
 PO Box 9  
 Gretna, LA 70054-0009

Please also send a copy to:

Anita Gilford  
 Angels' Place  
 2705 Division, Ste 4  
 Metairie, LA 70002

You can also send via email to [abroussard@jeffparish.net](mailto:abroussard@jeffparish.net) and cc: [agilford@bellsouth.net](mailto:agilford@bellsouth.net)



### **BIG SAVINGS AVAILABLE ON GENERIC DRUGS THROUGH MEDICARE-APPROVED DRUG DISCOUNT CARDS**

A new study by the Centers for Medicare & Medicaid Services (CMS) shows that Medicare beneficiaries using the discount drug card can save up to 92 percent on many commonly used prescription brand drugs through generic drugs.

The savings come from two sources: first, as part of the Medicare-approved Discount Card program, Medicare now provides personalized information to beneficiaries on the availability of less expensive generics for their prescription drug needs. Second, Medicare drug cards provide substantial new price discounts on generic drugs.

By calling 1-800 MEDICARE or going on the web at [www.medicare.gov](http://www.medicare.gov), beneficiaries can find out which generic drugs are available for the brand drugs they take and how much they can save by using generics.

"Generic drugs are just as safe and effective as brand-name drugs in the United States; in fact, generic drugs cost even less with the Medicare-approved drug cards," Health and Human Services Secretary Tommy G. Thompson said.

"We are taking important steps toward our goal of prescription drug affordability by providing personalized assistance to help seniors find out when generic drugs are available, and this study shows that buying generic drugs through Medicare-approved drug discount cards can save a significant amount of money," said CMS Administrator Mark B. McClellan, M.D., Ph.D.

This information can become an important source of drug savings, because more than 70 percent of all prescriptions in the United States are for generic drugs today, yet use of generics by seniors is lagged behind other groups. According to one previous study on this topic, savings of up to \$1 billion per year in drug costs are possible by using generics at the high rates that many private prescription drug insurance plans do.

The analysis also compared prices for five generic drugs under the Medicare-approved discount cards to national average retail pharmacy prices for the same generic drugs.

It showed discounts of about 39 to 65 percent below the average generic prices paid by private payers, including those who receive price discounts through their public and private insurance. Discounts of usual retail prices for generic drugs are even larger.

By finding out about generic drugs and by getting the substantial price discounts, the amount that beneficiaries with Medicare-approved discount cards who switch to generic drugs pay is 92 percent compared to what they would pay for brand-name drugs.

Generic drugs are regulated by the Food and Drug Administration (FDA) to assure the same way as the brand-name versions and meet the same standards of safety, effectiveness, and manufacturing.

Generic versions of a brand-name drug are functionally identical to the brand name drug approved by the FDA, a generic drug contains the same active ingredient, and the same dosage, and labeling as the brand name version for the approved indications.

But generics generally cost about 70 percent less – and generic drug prices are generally substantially lower in the United States than in other developed nations, according to the substantial additional price discounts available on generic drugs through the Medicare cards provide further savings.

Over 55 percent of the 209 drug classes for which discounts are available through Medicare-approved drug cards include generic versions. The availability of generic drugs is expected to increase in the coming years, as the Medicare Modernization Act also included changes called "Hatch-Waxman" law to speed up the availability of generic drugs when patents on brand name drugs expire. In just the next 12 months, patents are likely to expire on dozens of drugs, including widely used drugs such as Amaryl and Glynase for diabetes, and Prevacid for stomach ulcers.

The large savings on generic drugs available through Medicare-approved drug cards compared to the savings of 11 to 18 percent below the average prices actually paid by all Americans for brand name drugs – with larger savings available on mail-order drugs.

In addition, beneficiaries with limited incomes can get \$600 in direct financial assistance again in 2005, as well as further discounts on many brand-name drugs. The easiest way to learn about your savings with through the new drug card program is to call 1-800-Medicare or [www.medicare.gov](http://www.medicare.gov) anytime. Beneficiaries calling this toll-free number will be asked to provide their drugs and doses. If they may qualify for the \$600 in additional assistance, they will be asked to supply basic income information.

If beneficiaries have additional special preferences – such as whether they want to use a pharmacy, how far they are willing to travel to get a prescription filled, or if they prefer to get mail, Medicare will provide them with information about what they would pay for their drug based on their personal circumstances and preferences. Beneficiaries who call can also get the information they need in a personalized brochure mailed to them the next day. Then, signing up for the program requires only filling out a two-page form or calling the card sponsor's 800 number.

Through savings on both brand name and generic drugs, the cards (which cost at most \$10 a year, with some free) usually pay for themselves in the first month or two for beneficiaries who have good drug coverage now.

CMS has added many new operators at 1-800-MEDICARE and, as a result, reduced the waiting time considerably. Now, at most times, waiting time is well under 10 minutes. The Medicare service representative can review the caller's drug needs and find out about how to get the most out of the drug card program in under 15 minutes on average.

The report is available at <http://www.cms.hhs.gov/media/press/files/genericsavings06-104.pdf> (PDF).

## Your Ten Step, One-Day Strategic Plan

You don't have to kill a tree or shut down the office for a week to create a successful strategic plan. In fact, you can create a successful plan for your business in just one day. It doesn't have to be an overwhelming or a monumental task. It doesn't have to be perfect or fancy. Just grab a few key people in your organization, turn off the phones and let's get started.

### **Step One – Be the best.**

The result of a well-developed and executed strategic plan is to develop a competitive advantage. Just what is a competitive advantage? Business lingo aside, it is simply the answer to: your company potentially do better than any other company?

Understanding your competitive advantage is critical. It is the reason you are in business you do best that draws customers to buy your product/service instead of your competitor.

Extremely successful companies deliberately make choices to be unique and different that they are really, really good at and they focus all of their energy in these areas. You to incorporate your competitive advantage into your mission and/or vision statements.

### **Step Two – State your purpose.**

A mission statement is a statement of the company's purpose. It is useful for putting together what business a company is presently in and the customer needs it is presently endeavoring to serve. It also serves as a guide for day-to-day operations and as the foundation for future making.

To write a mission statement, answer the questions: What is our business? What are we accomplishing for our customers? What is our company's reason for existing?

### **Step Three – Visualize the future.**

A strategic vision is the image of a company's future – the direction it is headed, the culture it should have, the market position it should try to occupy, the business activities to be the capabilities it plans to develop. Forming a strategic vision should delineate what kind of enterprise the company is trying to become and infuse the organization with a sense of action. Think big! To write a vision statement, answer this question: What will our business be in 5 to ten years from now?

### **Step Four – Take an inventory.**

The SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis helps you look at your organization. It is a tool to help produce a good fit between a company's strengths and opportunities.

Assess your strengths and weaknesses by answering these questions: What do we do well? What do we not do best? What are our company resources – assets, intellectual property, and capabilities? What are our company capabilities (functions)?

Assess your opportunities and threats by answering these questions: What is happening that will affect our company? What are the strengths and weaknesses of each competitor? What are the driving forces behind sales trends? What are important and potentially important market changes happening in the world that might affect our company?

### **Step Five – Profile your customers.**

If you want to move your company from being successful to wildly profitable, you need

customers' needs and wants better than your competitors do. Develop a customer profile by answering: What are our customers needs, motivations, and characteristics? How do we provide value to our customers? What should we improve to grow our customer base?

#### **Step Six – Write your goals and objectives.**

Goals and objectives are like stair steps to your mission and vision. Realistic goals and objectives are developed from the SWOT analysis and customer profile. Objectives set the agenda and are global in nature. Write two to five objectives that give action to your mission/vision a few years to achieve. Then, develop goals to achieve each objective. Goals should be measurable, quantifiable, and support your objectives. Think about achieving them in a specific timeframe. Effective goals must state how much of what kind of performance by when accomplished and by whom. Make sure both your goals and objectives build on your strengths; shore up your weaknesses; capitalize on your opportunities; and recognize your threats.

#### **Step Seven – Assess your resources.**

Now that you have completed your goals and objectives, it is time to do a resource assessment. One of the biggest stumbling blocks to all well laid strategic plans is time and money. As with any business, budgets are never big enough to do everything you want to do. Prioritize key tasks. Ask: Do implementing the goals make financial sense? Do you have the human resources to achieve your plan?

#### **Step Eight – Take action.**

Tactics set specific actions/action plans that lead to implementing your goals and objectives. Basically write a to-do list for each goal. A quick way to develop your tactics is to answer the question: What roadblocks exist to achieving my goal? Use the answer to develop actions for each goal. Assign responsibilities and deadlines to ensure implementation. A great method to get buy-in from your staff is to assign a goal to each employee. Ask him/her to write the action plan and be responsible for making sure each task is accomplished.

#### **Step Nine – Keep score.**

In step six, you wrote goals that were measurable. Put these measurements and target values on a scorecard (in Excel), which acts as an instrument panel guiding your company towards your vision. With the scorecard, you can actively track your progress on a monthly basis.

#### **Step Ten – Make strategy a habit.**

A leader devoted to the successful implementation of the strategy and plan is key. The strategy must be supported with people, money, time, systems, and above all communication. Communicate the plan to everyone in your organization. Hold a monthly or quarterly strategy meeting to review progress toward achieving the goal. Don't forget to take corrective actions when needed as the environment changes.

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### **State Health Department Offers "Leaux-Fat" Cooking Site**

Seeking to lower the state's obesity rates, the state health department added a link to its website for Cajun gourmets who want healthier versions of traditional Louisiana recipes.

The "leaux-fat" cooking site features a history of Louisiana cuisine, nutritional information from Harvard University and a section that lets people e-mail Chef Patrick Mould.

Health secretary Fred Cerise says Louisiana's rich history of culinary indulgence makes obesity a tough problem to tackle. He says hopefully, Louisiana residents will use the link to realize they can eat the foods they love and still eat healthy.

The link is at [www.oph.dhh.state.la.us](http://www.oph.dhh.state.la.us).

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## MOST EMPLOYERS PLAN TO OFFER HSAS

Three out of five employers in a recent survey indicated they are likely to offer Health Savings Accounts (HSA) to their employees in the near future. But only a third of the 270 respondents have the necessary design structure in place for providing HSAs. Results of the survey, by consulting firm Hewitt Associates, were released March 31.



Allen Steinberg, a healthcare consultant with Hewitt, noted in a press release that “few currently offer” High-Deductible Health Plans (HDHP), which are a prerequisite for HSAs. Medicare law that created HSAs requires that the accounts be offered in conjunction with a plan that has a minimum \$1,000 deductible for individuals, \$2,000 for families.

The U.S. Treasury Department and the Internal Revenue Service (IRS) issued guidance in June 2003 clarifying a number of issues regarding HSAs (see article titled “Treasury and IRS Clarify Rules on HSAs” in this issue). According to Hewitt, however, many employers are withholding a decision on whether to offer HSAs until the Treasury and the IRS issue additional guidance in June. This guidance is expected to address the interaction between HSAs and other accounts such as Flexible Spending Accounts (FSA) and Health Reimbursement Arrangements (HRA), as well as the ability of employers to make matching contributions to HSAs.

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## 10 Mistakes That Reduce Profitability

**Mistake #1: They fail to market or market inconsistently.** Once you have committed to starting and running a business you must be equally committed to marketing and selling the products and services of that business. It is difficult, if not impossible, to stay and remain profitable without a commitment to ongoing concerted marketing.

*Solution:* Market all the time, every time.

**Mistake #2: They hesitate to “ask for the sale”.** Rather than seeming pushy or obnoxious, profit-producing opportunities pass them by. They worry more about what someone thinks of them than they do about bringing more money into their business. If you find it difficult to “ask for the sale” you can be sure that you’re not bringing in as much money as you could be.

*Solution:* Practice asking for the sale.

**Mistake #3: They don’t ask for help or assistance in the aspects of the business they most need it.** Most business owners possess strengths in a particular area but whether due to ignorance they often end up working in areas that aren’t part of their strengths. When not going as it should they delay or procrastinate in asking for help. Each day that goes by with the business running at less than maximum efficiency means dollars lost from your pocket.

*Solution:* Get expert advice from an attorney, accountant, or other service professional who really need it.

**Mistake #4: They don't follow up with past customers.** It is usually much easier to re-engage a former customer than it is to attract a new one. If you are not following up with past customers on a regular basis you are reducing your profitability potential.

*Solution:* Develop and implement a regular method for customer follow up.

**Mistake #5: They don't take regular stock of their expenses.** Savvy business owners appraise their business expenses and find ways to reduce costs without sacrificing quality. If you haven't completed a cost analysis lately, you might be paying more than you need to be able to reduce your profitability.

*Solution:* At least once per quarter review expenses and negotiate for adjustments as appropriate.

**Mistake #6: They spend large amounts on glossy, slick marketing materials and business to pour in without any additional effort.** Glossy brochures and slick marketing materials are a nice addition to more active forms of marketing such as meeting people, calling people, and speaking to people. Brochures and business cards, no matter how beautiful, do not replace direct contact. If you are spending money on flashy marketing materials rather than marketing activities, your business will be less profitable than you could be.

*Solution:* Take those glossy brochures and hand them out directly to people at the next marketing opportunity.

**Mistake #7: They spend a significant amount of time in low-return activities (as measured in dollars and personal satisfaction).** If you are spending the majority of your day on activities which are administrative in nature and/or which can be easily completed by other people, you are reducing your profitability.

*Solution:* Track your time and figure out how much you're making per hour. Hire an assistant if you are spending the bulk of your time in administrative work.

**Mistake #8: They charge less than they desire.** This challenge seems to arise especially with consultants, coaches and solo entrepreneurs who sell services. It is often tempting to accept less money than you need - so you get "some money" rather than "no money". After time, very little can leave you exhausted and resentful and it takes a deep cut out of your profitability.

*Solution:* Commit that, at the next opportunity, you will ask for full fee. And then do it.

**Mistake #9: They make infrequent or no use of technology which could save them time and effort.** As a business owner, you have a fixed amount of time and energy within which to maximize your profits. Technology can help you do this in the form of auto-responders, email, wireless internet connections, speech recognition software and the like. All of these tools are designed to save you time and effort. If you are not making consistent use of technology in your business you are likely not as profitable as you could be.

*Solution:* Look for ways that you can make your business processes more efficient by using inexpensive technology.

**Mistake #10: They adhere to outdated business models or plans.** If you do not stay current with trends in your business you will notice a steady decline in your profitability.

*Solution:* Attend meetings and conferences that will keep you on target with your market. Explore new means of doing business and update your business plan at least every couple of years.

If you are serious about improving your business' profitability, start by implementing the solutions to these ten common mistakes. Together, these solutions will help you make

and have more fun in your business. Try them and see.



## HUMANA/OHP

### 2004 Carrier Recruiter of the Year

At the beginning of the year, NOAHU hosted a friendly rec for the various carriers to see who could recruit the most m month period. Humana/OHP was announced as the wi contest for this year. Frank Campo, Jr. of Humana/OHP w as the top individual recruiter for this contest. He was awa certificate to Muriel's at Jackson Square for his efforts. everyone who participated!

### Tell Us What You Think!

We'd love to hear from you with comments, story ideas or newsworthy items. Just fill in the form below and click send.Thanks!

The opinions in this newsletter are not necessarily endorsed by NOAHU nor does the newsletter assume responsibility for statements made in advertisements or published articles.

First Name:

Last Name:

E-Mail:

Comments: