

# New Orleans Association of Health Underwriters



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## News You Can Use

March 2006 Volume 5, Number 1

### March Luncheon

#### Medicare Part D:

#### ***Things You Need To Know***

*featuring*

*Ronnell Nolan | Medicare Today*

*Vicki Dufrene | SHIP, Dept of Insurance*

Wednesday, March 24th

11:30 Registration & Networking

12pm Lunch Begins

**Andrea's Restaurant**

**Metairie, LA**

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**SAVE THE DATE!**

**Health Care Expo  
2006**

**Wednesday, May 22nd**

**Radisson New Orleans Airport Hotel**

**More details to come...**

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**Statistics Presentation**

[Click here](#) to view the statistics presentation that Thomas Clemons with the Department of Insurance shared with us at 1st month's meeting.

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**Leading Producers  
Round Table**

**Apply today!**

LPRT is NAHU's recognition program for top selling individual producers, agencies, and company reps. Click here to view the application criterion. Recipients receive a beautiful certificate for framing, discounts on conference attendance, free attendance at special webinars, and other discounts throughout the year. In addition, winners can use the LPRT designation throughout the award year.

Cost:

\$20 Members

\$30 Non-Members without CE

\$50 with CE

Please email [rsvp@noahu.org](mailto:rsvp@noahu.org) to register for the luncheon!

**Don't Miss It!**

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**Welcome New Members!**

**Melissa Chambers**

**Norma Davis**

**Bob Frechette**

**Terri Glasser**

**Doug Hendry**

**Joseph Luquet, Jr.**

**William Sigl**

There are 4 different categories:  
Qualifier, President's Council, Eagle &  
Golden Eagle. Only the Golden Eagle  
category requires certification by carriers.

**Applications must be postmarked by  
March 31, 2006.**

### LPRT Benefits

### Application

## **GET INVOLVED! Join the NOAHU Board of Directors!**

NOAHU is officially accepting nominations for NOAHU board positions! The positions that are up for election are described below. Please read it & consider your membership responsibilities either through personal service or through nominating someone you think would shine! NOAHU is strong due to the commitment of our members. We must keep it that way and continue to grow. My service to the organization has brought joy, friendship, learning opportunities & experiences that I would not have had without it. More importantly, it's fun!

Nominations will be closed on April 25, 2006. Elections are held at the June Annual Meeting.

\* ONLY members in good standing are eligible for board positions.

\* Board members are expected to attend the board meetings which are usually the 1st Thursday of each month, monthly luncheons & attend a strategic planning meeting once a year in July or August.

\* The Association pays for certain board members to attend regional & national functions, such as Capitol Conference (held in Washington, DC), the annual NAHU convention and the Regional Leadership Conference (Corpus Christi in 2006).

## **OFFICER POSITIONS OPENED**

NOTE: Nominees for officers should have prior service on the board. Officer positions are a 1 year term.

### **Vice President**

Assists the President with the day-to-day workings of the organization. Duties include getting CE speakers for the monthly general membership meetings, negotiate the annual contract with the restaurant at which we have the general membership meetings & is the Chairman for the annual HealthCare Expo.

### **Secretary**

Documents the minutes of all association meetings & receives and sends correspondence pertaining to NOAHU business.

### **Treasurer**

Handles the checking account, pays the association insurance & requests & monitors the budgets from all board members. The Treasurer should attend all functions that must be paid by the organization or make other arrangements for payment.

## **DIRECTOR POSITIONS OPENED**

\* Does not require prior service on the board of directors

**Public Service Director** Time commitment: 2-3 hours per month, per week in the fall prior to Bowl-a-Thon

Manage all public service projects for the chapter...Bowl-a-thon, Leukemia Walk, Blood Drive, Toy Drive, etc. Estimated time commitment varies depending on number of committee members for each function.

**Membership Chair** : Time commitment: 2-3 hours per week

Coordinates efforts to retain & grow the membership. Coordinate annual Membership Blitz and membership contests. Checks NAHU membership database consistently and organizes efforts to contact new, renewing & lapsed members.

**Programs Chair** Time commitment: 2-3 hours per month, 2-4 hours per week months prior to Expo

Coordinates the annual HealthCare Expo. The Programs Chair sends the solicitations to vendors, follows up with advertisers for the program, coordinates the floor plan with the decorator & oversees the audio visual needs for the Expo. Correspondence is electronic and communicated via email for faster and more efficient planning.

**Legislative Chair** Time commitment: 2-3 hours per month

Responsible for all legislative efforts of the chapter. These efforts often coordinate with the state & national efforts. From time-to-time, Legislative Chair may be asked travel to Baton Rouge or across the country (paid by the Association) to update our chapter on important legislation.

**Communications Chair** Time commitment: 2-4 hours per week, periodically more

Responsible for sending out the electronic newsletter once a month, sends out the electronic luncheon notice twice per month, sends out communication to the membership as needed, maintains & updates the chapter website.

**Education Chair** Time commitment: 2-3 hours per month

Responsible for maintaining membership activity database, CE sign in sheets, completing CE credit application packets and managing the approval process with the Department of Insurance, creating and distributing CE certificates.

Director positions are elected for a 2 year term. Education & Communications are a 1 year term and do not require election in 2006.

IF YOU HAVE ANY QUESTIONS REGARDING ANY POSITION ON THE BOARD,  
PLEASE FEEL FREE TO CALL ME.

Stephanie L. Booth-McGinnis

NOAHU - Immediate Past President

281-380-9849

[stephanielbooth@yahoo.com](mailto:stephanielbooth@yahoo.com)



**MOVERS & SHAKERS:**

A Free Service For NOAHU Members

## POSITION AVAILABLE

### **Marketing/Service Representative**

Eagan Insurance Agency, a locally owned insurance agency serving the greater New Orleans area for over 50 years, is seeking a Marketing/Customer Service representative for our benefits department.

This representative will assist experienced brokers in meeting client demands by providing administrative, marketing and customer service support. The ideal candidate is organized, detail-oriented and a highly motivated self-starter. This individual should be articulate, capable of performing in a fast paced work environment and possess outstanding customer service skills.

#### Essential Functions:

Provide general administrative and marketing support to brokers  
Assist clients in resolving insurance problems  
Address questions and concerns of clients  
Perform special projects as assigned

#### Requirements:

Some college or business school education a plus.  
Strong verbal communication skills / Excellent phone etiquette  
Extremely pleasant / Exceptional customer service skills.  
Team player with superb time management, multi-tasking, organizational and follow through skills.  
Knowledge of MS Office a must (Word, Excel and Outlook). Experience with agency management software or other database management software a plus.  
Insurance background a plus (not mandatory, will train).  
Mature and professional in demeanor and appearance.

#### Salary and Benefits:

Annual salary plus an excellent benefits package.  
Flex Friday schedule.  
Benefits include- medical, 401K, disability and life.

Email [info@noahu.org](mailto:info@noahu.org) if you are interested in inquiring about the position.

**Any members can submit news or available positions for posting under Movers & Shakers! Promotions, awards won, jobs open & more! Email to [info@noahu.org](mailto:info@noahu.org).**

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**SALES CORNER:**



## Top 10 Tips for Building a Profitable Web Site

More and more small businesses are realizing that having a web site is no longer an option. It's a necessity. Consumers, businesses and government buyers all use the web to buy products and services directly and to research those purchases they will eventually make offline through more traditional means.

Having a web site and profiting from it don't necessarily go hand-in-hand, however. In fact, some web sites are so poorly designed and constructed that they drive customers away instead of getting them to open their wallets wide. You can minimize that problem by following these basic principles of sound web site design and navigation.

### **1. Don't hide what you sell**

In many instances, the "content" that visitors want is information about the product they want to buy. If you make it difficult to find your shopping area, if your pages take a long time to load, or if visitors can't find your order form, they will either give up or go shop in your competitor's online store.

To improve the shopping experience for the customer, try to keep each page to no more than 40K. If you use graphics, use thumbnails with the descriptive text. The thumbnail-sized photos can be setup as clickable links to larger versions of the photo for anyone who wants to see them enlarged

If you sell a lot of different items, try to classify them in some way to make them easier to find. For instance if you were selling office supplies, you might have one category called "paper and stationery," another called "Writing instruments" another called software, etc.

### **2. Make it look professional**

It wasn't long ago, that just having a web site was enough to make a small businesses and home businesses look more professional. It didn't much matter what the web site actually looked like. But that's changing. While there are still some pretty ugly web sites that are relatively successful, customers, for the most part expect a company's web site to be as neat and professional looking as their printed sales literature and marketing materials. Anything less than a professional façade for your

online shop, will make your business look small and unreliable.

### **3. Make your site easy to navigate**

Businesses and consumers today have little time to waste. If they can't find what they want quickly on your site they'll move on. To help them find their way around, put a table of content (often called a navigational bar or navbar) on your home page. Include a search function for the web site as well.

### **4. Encourage browsing and impulse buys**

Retail stores get you to purchase more merchandise by putting sale merchandise at some distance from the cash register (so you have to walk through the store and see more things you may want to buy). They also increase sales by putting items that make good impulse buys in places that you pass through to get out of the store. Fast food stores and supermarkets often have candy and magazines near the check out counter. Clothing stores may have socks, jewelry or perfume near the cash register.

You can use similar tactics on your web site to increase product sales. For instance, if you have an article on how to choose digital cameras, create a small ad for digital cameras if you sell them and put it in the margin of the article. If you sell books, write short book reviews and put a link in each book review to a place on your site where the reader can buy the book you are reviewing. Another tactic: run banner ads for your own products on editorial pages on your web site. These ads will work like ads on the window of your favorite supermarket. They'll remind visitors of goodies you have in other parts of your web site.

### **5. Suggest add-on sales**

One of the easiest ways to increase sales is to let customers who are about to make a purchase know about related products they may want to buy. If your shopping cart software allows it, include one or two links to related products from the shopping cart screen. If you can't easily do that, include the link to related products on a thank you page.

### **6. Give them ordering choices**

Not everyone is comfortable giving out credit card information over the Internet, and not everyone likes to shop with a credit card. To maximize your sales, be sure you give customers alternate methods for making a purchase. In addition to your online order form, provide a way for people to order by telephone, by fax and by mail. Make those options easy to find, too. If your customer has to hunt for ways to make a purchase, you'll lose sales.

If you find too many customers use call, fax or mail their order, consider adding a surcharge for orders that aren't placed electronically. Or, increase your prices slightly

and then offer a discount for ordering online.

### **7. Tell them how to reach you**

Customers want to know who you are and how they can contact after they've made a purchase. And they want that information to be easy to find. If it isn't they may question your honesty or credibility and move on to a competitor's web site to make their purchase.

You can avoid that trap by having a "contact us" button on every page of your web site. The "Contact us " button can lead to a web page that lists your business name, business email address, telephone, fax and other information customers may need to know. If you don't want to take the calls yourself, have an answering service take them for you.

Tip: Remember the Internet is "on" 24 hours a day, 7 days a week. People can and do use it all night long. If you don't have someone answering phones 24 hours a day, be sure to indicate your hours of operation and your time zone with your contact information.

### **8. Include a feedback form**

A feedback form serves three purposes. First, it gives your customers another way to reach you. Second, it lets you know what customers think about your products and services and what they wanted but can't find. Finally, the feedback form is good for public relations. Having it on your site will help customers form an impression of your company as one that cares what it's customers have to say.

Put the feedback form where people can find it easily on your web site. This might be on a navigational menu, or as a text link.

### **9. Read and answer email at least once a day**

One of the leading attractions of the Internet is its immediacy. You can find information, shop for products, send and receive letters, place orders, send invoices, view pictures, and access documents 24 hours a day, seven days a week. But that's also one of the leading disadvantages of the web – at least for web site owners. Because the web and online services are available 24 hours a day, visitors expect them to be staffed around the clock, too. If they have a question, they expect to get a response in hours, rather than days as they might if they sent a question to your company using traditional mail.

To keep customers happy, therefore, plan to answer all email within 24 hours or less. If you don't answer your email in a timely fashion, your customers are likely to have

little difficulty finding one of your competitors on the web.

#### **10. Help people who stumble into your web site find their way back**

When visitors find your web site, they may save or print some of your information to read at a later time. When they find that information later on, they may want to return to your site. To make sure they can find their way back, be sure that every page on your site includes the name of your web site, your phone number and your URL on the bottom of the page. To avoid typing that information in manually on every page include it on the bottom of whatever template you use to create web pages.

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#### **NOAHU Members Head to Washington**

NOAHU members Kenny Collins, Denny Ebersole, Lou Koster, Cindy Osborne and Jennifer Toups will attend Capital Conference beginning March 27, 2006. The agenda is packed with top Legislative leaders who will speak on important pending legislation and more! New Orleans will be joined by other members from around the state in sharing our views with our Senators & Representatives. The Louisiana delegation will meet in person with most legislators and with the staff of the remaining ones. Select association members have also been invited to a private briefing at the White House. Be on the lookout for the full report in next month's issue.

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#### **BUSH ASKS SENIORS TO THINK POSITIVE ABOUT PART D**

President Bush campaigned Tuesday to boost the troubled new Medicare drug program that is the subject of a fierce election-year debate between Democrats and Republicans.

Bush pleaded with older Americans — a key voting block, particularly in midterm congressional elections — to look positively on the new benefit. Under the program, the government subsidizes medication costs for the elderly and disabled through plans created by private insurers.

In effect since January, it has been under fire from Democrats as too

confusing for seniors with its numerous plans and coverage gaps — and from some conservative Republicans as an overly costly expansion of government.

But Bush said seniors, particularly those on the lower end of the income scale, should at least explore the options and consider enrolling before a May 15 deadline ushers in higher premiums.

"I think you're going to like what you see," the president said from a public high school gym in this conservative - leaning western New York community. "The key is saving a little money in retirement."

During a 35-minute discussion with a panel assembled by the White House, Bush acknowledged problems early on, when errors left many temporarily without coverage.

But he said the program is providing 50 percent reductions in drug costs for the average elderly patient, and significantly higher savings for lower-income seniors. And he said the introduction of choice — though bewildering at first — is also helping the 26 million who have enrolled so far to benefit from higher quality.

Bush also argued the program is proving less expensive than anticipated. Federal spending on the drug benefit will be 20 percent lower in 2006 than was estimated last summer, due to competition and the wider availability of generic drugs, according to the White House.

"It's working," Bush said. "It makes a lot of sense."

Later, Bush visited Ferris Hills at West Lake, a seniors residence. He was supposed to be there during a Medicare education session for residents, but weather forced a schedule rearrangement that had him arriving about 90 minutes late, after the program was completed. So Bush was left briefly greeting a few seniors who waited for him in common rooms.

He perhaps unwittingly used language recalling a famous Democratic anti -poverty initiative, President Franklin D. Roosevelt's New Deal of the 1930s.

"Everybody explaining Medicare to you — the new deal?" Bush asked a crowd in one room. "I hope so. It's worth looking at."

Later Tuesday, back at the White House, the president was also meeting with representatives from groups that have been holding education and enrollment sessions around the country.

It was the first of two straight days Bush was devoting to the program. On Wednesday, he is delivering a Medicare speech at an assisted living facility in Silver Spring, Md., a Washington suburb.

The renewed presidential attention reflects the issue's high stakes in a year when most of Congress is up for re - election and Bush wants to help his party retain control of both chambers.

"The Medicare drug program has been a nightmare for America's seniors and is clear evidence of the Bush administration's shocking incompetence," Sen. Edward M. Kennedy, D-Mass., said.

Democrats favored benefits provided directly by the government rather than through private companies and hope to make the program a liability for Republicans. Americans United, a group with close ties to congressional Democrats, intends to use polling, television advertisements and public events to campaign against the benefit.

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## NAIFA's DI Day

Thursday, March 23rd

**\$25 in advance, \$40 at the door**

[Get the Flyer](#)



### Medicare Part D Hits Pharmacies Hard

WASHINGTON - It took Dennis Song eight years to amass a \$10,000 emergency fund for his pharmacy in Flower Mound, Texas. It took about two months under the new Medicare drug benefit to drain it.

The \$20,000 credit line at his bank is nearly maxed out, too. Also, he isn't cashing his own paycheck to make sure the ones he gives his employees don't bounce.

Song's experience is not unique. Small, independent pharmacists — those who don't work for big chain drugstores, such as Wal-Mart or Walgreens — say the Medicare program has been a huge financial problem.

The trouble, they say, is cash flow. States used to reimburse them at regular, often weekly intervals for serving elderly Medicaid patients. But, now, those patients have been moved into Medicare. Payment comes at a time selected by the dozens of insurers offering coverage.

Also, seniors who had no coverage and used to pay in cash now have an insurer negotiating discounts on their behalf.

"The payments from the plans are slower and lower," Song said.

Chain drug stores also must deal with irregular payment schedules and lower profit margins, but they have more resources to help them weather the change. If they lose money on a prescription, they can make it up when customers buy their groceries or a new pair of jeans.

Mark McClellan, the nation's top Medicare official, said he's sympathetic to the pharmacists' concerns. But he also said their problems didn't begin Jan. 1.

"I think what we're seeing is a change in the business model that continues a trend that has occurred over the past 15 years," he said.

McClellan said his agency is exploring ways to increase reimbursement to pharmacists by rewarding them when they help patients switch to a generic, which is usually cheaper than a brand name.

The extra payments, often referred to as "pay for performance" would be a reward for saving taxpayers money in programs such as Medicaid.

"This does require some changes in business practices, so we're looking at ways that we can support pharmacists who want to succeed in this new kind of environment," he said.

Insurers say they usually pay pharmacists on a two-week billing cycle, so the billing cycle under Medicare Part D shouldn't be a problem for pharmacists. However, delays in payments occurred in some cases when the Centers for Medicare and Medicaid Services gave insurers incorrect data for enrollees. It took time to get patient information in order, and that delayed reimbursements, said Karen Ignagni, president of America's Health Insurance Plans, a trade association.

Under the Medicare drug program, pharmacists enter into contracts with private plans serving their state. The plans decide how much they will pay a pharmacist for dispensing a drug. The pharmacist can accept or reject that offer.

For example, Song said he buys from his drug wholesaler a 30-day supply of Lipitor, which lowers cholesterol, for \$97.91. The insurers running Part D plans pay him between \$99 and \$100 on average for the drug. The thin margin makes it hard to generate a profit when considering labor, utilities and other expenses, he said. About 40 percent of his customers are senior citizens.

In some cases, plans have offered to reimburse him for less than what he pays for certain drugs, he said. A 100-day supply of Lisinopril, a blood pressure medicine, usually cost him at least \$11 a bottle, and plans offered to pay him \$10, he said.

Chuck Oien, a pharmacist from Elgin, N.D., rejected the terms offered by dozens of insurers, claiming he would lose money every time he filled a prescription. Oien, the owner of Economy Drug, agreed to a contract with just two insurers.

That means many senior citizens in his county are taking their business elsewhere. One customer who gave him about \$8,000 in business last year, will be going to a pharmacy in nearby Bismarck, he said.

"I don't know how much new business will be generated, but I would say I've lost more business than what it's going to generate," said Oien of Economy Drug.

Marlin Weekley, owner of Metamora Pharmacy near Peoria, Ill., said technical issues prevented his claims from getting through to one of the plans.

"My (business) checkbook was exactly zero at the end of February, and that's after two months of ferocious work in filling prescriptions," Weekley said.

Overall, there are about 25,000 independent community pharmacies across the United States, and about 60,000 pharmacists work in them.

David Dare, owner of Binger Pharmacy in Binger, Okla., closed his doors Feb. 28th. He said it was getting harder to make a good of it in a town of 800 people, but the new drug benefit "was the final straw."

"Small pharmacists are just as endangered as small farmers," Dare said. "Scale is everything."

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### Seniors Could Hit Part D Gap Soon

Seniors and disabled Americans enrolled in Medicare's new prescription-drug program face more coverage disruptions in two weeks, state officials, doctors and pharmacists warn.

A special 90-day transition period, set by Medicare to prevent beneficiaries from losing any drug coverage, ends April 1. Private insurance plans can then stop covering drugs they don't usually pay for. Most of the 36 states that stepped in on an emergency basis to help low-income beneficiaries also will stop paying.

State insurance counselors and health care advocates say the result could be a repeat of problems first encountered in January, when the program began. Thousands of beneficiaries were turned away from pharmacies when their records weren't found or their drugs weren't covered.

"Some of these people are going to be in really difficult spots," said Jude Walsh, special assistant to Maine Gov. John Baldacci. "I think they're going to be going without medication again."

The warnings came as President Bush promoted the drug plan's virtues Wednesday at an assisted living facility in suburban Maryland. While Bush said the plan can be "confusing," he told seniors to "take a look. ... I think you're going to like what you see."

Meanwhile, Medicare officials said insurance plans need to educate seniors about what happens when the transition period ends. Some seniors could have to change drugs, file appeals or pay out of pocket.

"We have a short time to be working with the plans to make sure the beneficiaries get the information," said Peter Ashkenaz of the Centers for Medicare and Medicaid

Services. "Some plans are already doing it."

But dozens of state health insurance counselors in a nationwide conference call Wednesday said they were unaware of any insurance plans helping to educate seniors. "Transition is ending," said Kelly Brantley of the Health Assistance Partnership. "We all fear this."

Doctors and pharmacists are concerned. "I do think there's going to be another big hurdle here in April," said Robin Taylor, president of Cornerstone Pharmacy Services in Indianapolis. "Even more intense, because people are going to be really without their medicines," said Judy Chamberlain, a doctor in Brunswick, Maine.

The end of the transition period represents a crucial turning point for the fledgling prescription-drug program. Beset by confusion because each region has dozens of private plans and coverage options, the program has left some seniors without the coverage they had. It also has failed to sign up millions eligible for low-income subsidies.

Problems have eased recently, and Medicare officials say more than 5 million people have signed up voluntarily. Overall, they say, about 26 million seniors and disabled Americans are benefiting, some through private employers. That's more than 60% of those eligible.

But only two months remain for people to enroll without penalties. Bush said he doesn't favor extending the May 15 deadline. The Senate defeated an effort Wednesday to extend it and eliminate the penalties.

*America's Benefit Specialists*