



Do you know who your beneficiaries are?

by Trisha Hill

Life changes at a very rapid pace and we often forget to update information on our insurance policies as people enter and exit our lives. It is very important to keep your beneficiary information up to date to make the time of your passing a bit easier on those you leave behind. Do you know who your beneficiaries are?

Some of the reasons that your beneficiary choices may be different now:

- Have you added new children or grandchildren to your family?

- Have any of your beneficiaries passed away?
- Have you parted ways with family members or friends?
- Have you changed jobs?

- Have they moved?
- Have they married and changed their last name?

Even if you know who your beneficiaries are and you don't wish to change them, is their information current?

Reasons to make sure that beneficiary information is up to date:

If you aren't sure who you listed a your beneficiaries, or you would like to check the accuracy of the information associated with them, please contact your representative at Allen Financial Group and we will be happy to get this information for you and any forms needed to make the necessary changes.



Strategies for Controlling Health Plan Costs

by Sherree L. Craig, CEBS

As your employee benefits broker, Allen Financial Group wants to be sure that we are providing a level of service that exceeds your expectations. The largest part of the service process is typically your health plan renewal.

Each year, we review with you the basic strategies for controlling health plan costs. We can divide these into four categories: plan design, financing, contributions and vendor selection.

What do the elements of each category have to do with your ultimate premium?

1. Plan design: What type of plan will be offered, HMO or PPO? What cost-sharing elements will be included, high deductibles or pharmacy co-payments perhaps?
2. Financing: Can our company health plan be self-insured? Can we have an alternate premium payment arrangement?
3. Contributions: Will all employees share in the premium payments with us? If so, can we adjust the percentages differently?
4. Vendor selection: Is the carrier's

performance optimal? Is the carrier's network sufficient? Does the network contracting promote plan savings? Are we able to negotiate our rate at all?

We should also have a discussion with you about more advanced strategies that should place you in a better future position for health renewals.

1. What can you do to help promote and maintain a healthy workforce?
2. What is being offered to you to focus on your high-cost claimant population?
3. Are you doing anything with your plan design to promote consumer accountability?
4. Can anything be done to ensure that you are achieving the best price for your medical services?

Please let us know if you have any questions about these points at any time during the year, and as we complete our renewal analysis with you.

Maine Ranks 46th in National Health Care Study

In April, Forbes Magazine published the results of a study conducted by the Pacific Research Institute evaluating the level of states' interference with health care resources:

*The institute looked at how much states regulated private insurers and health care providers; the state's medical tort environment; and state government health plans (primarily Medicaid).**

BEST	WORST
1. Utah	46. Maine
2. Nebraska	47. North Carolina
3. Delaware	48. New Jersey
4. North Dakota	49. Vermont
5. Alabama	50. New York

*Badenhausen, Kurt. "Live Free or Die," Forbes Magazine; New York, NY; April 23, 2007; Vol. 179, No. 9, p. 40



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Allen Financial Group begins offering new health insurance product to our customers

by Christopher Jacques

Anthem Blue Cross & Blue Shield of Maine has entered into an agreement with the Maine State Chamber of Commerce to offer a flexible new package of health insurance products to small businesses in the State of Maine. We here at the Allen Financial group began selling the new "Chamber BlueOptions" to groups with 50 employees or less starting in January of 2007. The program is truly unique to the small group market as it offers a tremendous amount of flexibility to both employers and employees.

Typically, a small business owner will offer employees one – or at the most 2 – options and at least 75% of eligible employees must participate to qualify for the group coverage. The Chamber BlueOptions product will offer five insurance plans for each employee to choose from with only 60% of eligible employees being required for group coverage. I have been involved in the group health insurance business for 14 years and I have

never seen a plan with more flexibility than this.

Small businesses that are members of either the Maine State Chamber or their local chamber of commerce are eligible to purchase this product. Employers will be able to offer a suite of five health plans that include three PPO (preferred provider organization) plans with different deductibles and coinsurance levels, an HMO and a Health Savings Account plan.

Employers with 25-50 employees enrolled on a plan also can qualify for a 2% discount on annual premiums if they undertake certain wellness activities. The discount would become available at the employer's annual renewal in 2008.

Another great feature to this program is that it is eligible for the self-employed. There are very few options for the self-employed in the State of Maine and this will help make coverage available to workers that did not previously have the

opportunity to purchase group coverage.

The early results are encouraging for the program. According to officials at the Maine State Chamber of Commerce, there were close to 100 companies that purchased this product for January 1st, 2007. Of these groups, about 39% were previously uninsured. Any insurance product that actually helps reduce the uninsured population is good for all citizens of the State of Maine.

The Allen Financial Group welcomes new and innovative programs such as the Chamber BlueOptions that provide additional choices to our customers. We will be discussing this option with our group customers upon their health insurance renewal throughout 2007. If you would like to see this plan before then or if you know of other employers that might benefit from this program, please feel free to call us for a quote.

Medicare Part B Enrollment Rules

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by Barb MacRae, GBA



Medicare Part A covers in-patient hospital services and does not cost anything. Medicare Part B covers physician and out-patient services and costs \$93.50 a month for singles making less than \$80,000 a year and couples making less than \$160,000. Due to the cost of Part B many folks decide not to take it right away when they have coverage through a group health plan.

If you don't take Part B when you are first eligible, the cost of Part B will go up 10% for each full 12-month period that you could have had Part B but didn't

sign up for it, unless you are eligible for a Special Enrollment Period. **You may have to pay this penalty as long as you have Part B.**

Special Enrollment Period (SEP): under Part B, a period when you can enroll in Medicare Part B if you didn't sign up when first eligible because you or your spouse (or a family member, if you are disabled) was still working and you were covered under a group health plan from an employer or union. You may sign up for Part B at anytime while covered under the group health plan based on that em-

ployment, or during the 8-month period that begins the month the employment ends or the group health plan coverage ends, **whichever comes first.** Usually, if you join Part B in the SEP, you don't pay a penalty.

The above rule should be kept in mind by folks in COBRA or retiree situations. COBRA benefits can continue for 18 or 36 months but you must sign up for Medicare Part B within 8 months of the end of employment to avoid the late enrollment penalty. Retirees also need to keep the 8 month deadline in mind.