



VAHU News



Charlottesville has the most expensive ACA plans in America

By Colby Itkowitz

This article originally appeared in The Richmond Times-Dispatch.

Monthly health-care insurance premiums increased all over America this year, but nowhere as dramatically as in Charlottesville, Virginia, an analysis shows.

Residents of the small college city and the surrounding Albemarle County who wish to purchase individual insurance from the federal marketplace will be paying for the most expensive plans in the country, a Kaiser Family Foundation review confirmed.

The prices have shocked those who went to shop for a new plan Nov. 1 and found that in many cases they'd be paying three times as much for coverage as the year before.

"Everywhere else was horrific" for ballooning costs, said Karen Pollitz, Kaiser senior fellow of the rate increase. "But something weird is going on in Charlottesville different from everywhere else; something else added a multiple of two or three in Charlottesville."

Being hit the hardest by the spikes are entrepreneurs who work for themselves and earn too much to qualify for government subsidies. They have to pay a carrier's rate in full.

Ian Dixon, who left his full-time job in 2016 to pursue an app-development business, did so because the ACA guaranteed that he could still have quality coverage for his young family, he said.

But when the 38-year-old Charlottesville husband and father of a 3- and a 1-year-old went to re-enroll this month, his only choice for coverage would cost him more than \$3,000 a month for his family of four, which amounted to an increase of more than 300 percent over the \$900 he paid the year before. And this is for the second-cheapest option, with a deductible of \$9,200.

"Helpless is definitely a good word for it," Dixon said. "Rage is also a good word for it."

Nearly 80 percent of the more than 350,000 Virginians who buy coverage on the ACA health exchange qualify for government subsidies that lower premiums, slightly less than the percentage among people with ACA health plans nationwide. But the remaining 20 percent are left with few options but to pay dramatically higher rates.

In Albemarle County, more than 5,000 people buy individual insurance on the federal exchange. Of those, about 1,500 are ineligible for the financial assistance, according to data from the Centers for Medicare and Medicaid Services.

A benchmark silver plan - silver being the second-lowest tier of ACA coverage and the tier on which the premium subsidies are based - for a 40-year-old individual is \$1,011 a month in Albemarle. The next highest for that type of plan are Hardee and Monroe counties in Florida at \$903 a month, according to Kaiser.

Earlier this year, Aetna and Anthem pulled out of the Albemarle market, citing too much unpredictability and risk. A smaller carrier, Optima, came in to fill the void. Consumers in the area went from having 19 plans offered in the options from Aetna and Anthem to only five coverage options with Optima.

Several factors led to Optima's offering such high-priced plans, said Michael Dudley, the president of Optima.

First, small communities like Charlottesville tend to be pricier to cover because there is a small patient pool to balance out risks. So Optima took a cue from the carriers who had already ditched the market when actuaries predicted it was a place where the insurance companies might be paying out more to cover claims than it receives in premiums.

It is also a more expensive coverage area because the primary provider is University of Virginia Health System, an academic medical center that charges higher rates for its care than a community hospital. Optima will include UVA Health System in-network, unlike many carriers who have dropped the big medical centers as a cost-saving measure.

And finally, Virginia regulators told insurers to set their rates assuming that President Trump would eliminate cost-sharing reduction payments - which he did last month - that the government paid carriers to compensate the companies for discounts the law requires them to provide.

This action alone will cost Optima tens of millions of dollars, said Dudley.

"You take those two factors and then add the major uncertainty and instability out of Washington, D.C. . . . it all combined in the perfect storm," Dudley said. "It's a tough message, and we anticipated it would be a tough message. We get it - this is frustrating."

And now that Republicans in Congress are debating making more changes to the ACA in its tax reform bill, Dudley said he has wondered whether they should have charged even more to cover their risk.

Doug Gray, executive director of the Virginia Association of Health Plans, had an even more tough-love take: Consumers in Charlottesville are "lucky" to have a carrier at all.

(continued on pg. 4)

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Message from the President

By Heather Kochanowicz

I am pleased to report VAHU continues to thrive.

Membership remains strong, with more than 330 members throughout our five local chapters, all of whom recognize the tremendous value that VAHU offers.

This year we continue to provide outstanding service. VAHU provides regular and ongoing communication to members through monthly e-blasts and quarterly print newsletters (like this one). We are also more active than ever on LinkedIn, Facebook and Twitter, thanks to social media chair **Hetal Vora**.

All of this is further proof of a diligent and effective board, committees and individual members. If you've not yet connected with us, why not?

With so much information in the media regarding health insurance following the election, I am proud to say that our team at VAHU has stayed on top of the laws and regulations, and our communications team, under chair **Hannah Warren**, has provided timely updates to members whenever there is "breaking news" relating to our industry. We remain a vital "go-to" source for the media seeking balanced, reputable information.

Meanwhile, our Legislative Management Team, headed by **Amy Mutter** and **Chris Renkar**, has served as incredible advocates, having routine conversations with key state leaders about pressing issues relevant to our members.

Please be on the lookout for opportunities to give back to the community as **Ashley Corr** joins us as Community Service chair. Ashley currently heads up the State Community Service Committee and will ensure that each chapter holds volunteer days with various local charities throughout the board year.

Join us as we get involved in making a difference in the communities that we serve. If you have a passion for community service, Ashley would love to have you participate in the state and/or local committees.

VAHU is the backbone of this industry. It is the only organization that aims to protect broker jobs and ensure a long, sustainable career for all of us. Please consider getting more involved. We would love your help as we take VAHU to even greater heights in 2018. VAHU is served by dedicated volunteers on our committees, fueling new members, strong communications both internally and externally and an effective voice in the halls of Richmond.

We have very important events right around the corner in 2018. Don't miss out:

- **February 15:** Day on the Hill in Richmond
- **February 26-28:** Capitol Conference in Washington, DC
- **March 5-8:** CE Day at our 4 locations around Virginia
- **May 21-23:** The highly anticipated VAHU annual conference in Virginia Beach, VA

And, speaking of the annual conference, I am pleased to announce that our first two conference sponsors have committed their involvement. **Colonial Life** will be VAHU's Overall Conference sponsor and Overall Chapter sponsor for the year. You will see their logo and information at all chapter meetings and at the annual conference. Stop by, say hello to their company reps and thank them for their support of our fine organization.

Cigna is our first Platinum sponsor of the annual conference and we look forward to additional companies joining us for this exciting event.

Check the VAHU website for the newly updated agenda with more CEs and exhibitor time than ever before. Virginia Beach will be the place to be, in May 2018.

I look forward to speaking with you during the holiday season about ways we can work smarter to advance the goals of our industry in 2018.

Happy holidays to you and your family. Thank you for being part of this spectacular team.

Save the Date!
2018
DAY ON THE HILL

Lunch Sponsorships Available!

\$500 Lunch Sponsors receive:

- 10 minutes to address the group
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- Your logo on the event page on the VAHU website

Hurry! Sponsorships must be reserved by December 15, 2017 and paid by January 15, 2018!

For questions, please contact **Chris Renkar**: (804) 740-4100 or cjrenkar@independentbenefits.net
Checks made payable and mailed to: CVAHU, PO Box 5622, Glen Allen, VA 23058-5622



Membership Report

By Josh Viles

The membership team has warmly welcomed nine new members this fall. That's nine savvy professionals who will now be taking advantage of our membership promotion! Welcome to:

Barbara Bailey
Lisa Barnett
James Booker
Nicholas Carel

Gina Gentilini
R.J. Gibson
Thomas Kelly
Curtis Lawyer

Greg Woolley

Each chapter membership team has been hard at work, reaching out to new members and getting them involved in great events each month. The team continues to strengthen communication with our current members to ensure they take full advantage of VAHU's value.

Whether you're a new or longstanding member, challenge us to help you experience the value and get everything from the membership you desire. Take advantage of the tools offered by our organization and don't be surprised when our members, vendors, sponsors and other friends want to help you grow your business.

Keep in mind that your investment in VAHU is just a little more than \$1 a day - a nominal amount quickly offset by your attendance at the many meetings, CE courses and events that we provide all-year statewide. Every registration fee is slanted substantially so

that members benefit financially as an added value of membership. The tremendous resources available include education material and legislative advocacy, as we work together to protect our role in the future of employee benefits.

But there's more - your low \$30-\$33/month VAHU membership will actually SAVE you money:

- Attend CE Day and save \$15!
- Attend the VAHU annual conference in Virginia Beach, and save another \$40!
- Attend the various chapter meetings throughout the state and save \$10-\$30!

At VAHU's Day on the Hill, coming in February, members have a chance to speak to local legislators about important issues affecting our careers. Membership in VAHU literally gives you a seat at that table. What are you waiting for?

The Membership Committee asks for your continued support in recruiting members. Our team of dedicated professionals, representing all state chapters, lends its time and energy to this campaign and many other membership initiatives. Please join us in our efforts as often as possible; membership recruitment is truly the lifeblood of our organization.

Bottom line: Without you, there would be no VAHU. And without VAHU, the role of the health insurance broker in Virginia is at-risk.

Thank you for working together to ensure that our industry is healthy and vibrant.

VAHU PRESENTS
STATEWIDE CE DAY
March 5-8, 2018

Half Day: \$45 (non-members: \$55)
8:00 am - 11:45 am
4 CE Credits & Breakfast

Full Day: \$75 (non-members: \$85)
8:00 am - 5 pm
8 CE Credits, Breakfast & Lunch

Northern - Monday, March 5
EBCA, 1410 Spring Hill Road, Suite 150
McLean, VA 22102

Eastern - Tuesday, March 6
Holiday Inn, 5655 Greenwich Road
Virginia Beach, VA 23462

Central - Wednesday, March 7
The Place at Innsbrook, 4036-C Cox Road
Glen Allen, VA 23060

Southwest/Piedmont - Thursday, March 8
Hunting Hills Country Club, 5220 Hunting Hills Drive
Roanoke, VA 24018



Eastern Chapter

By Brenda Cutting

In October, the Eastern chapter hosted the NAHU webinar. "We had a great turnout with 21 people in attendance," Eastern chapter president Brenda Cutting said. "We invited the representative from Foodbank of Southeastern Virginia and the Eastern Shore to come talk with our membership about the programs created in an effort to eliminate hunger in our community. We held a 50/50 raffle and will continue to do so at membership meetings with money benefiting the Foodbank through June 30, 2018."

This is a continuation of what EVAHU began last year and now the chapter is building on the existing support. The chapter happily presented Foodbank with money raised from the raffle and collected non-perishable food at the meeting.

During the holiday season, the Eastern chapter will set up a community event for members to volunteer. Also, the chapter has received a link for Foodbank donations and has started a campaign with a \$1,500 goal from EVAHU.

Save the date: Wednesday, January 17 for the next EVAHU membership meeting to be held from 11:30 am - 1 pm at the Holiday Inn conference center in Virginia Beach. Please check the VAHU website for details.



Northern Chapter

By Heather Kochanowicz

The Northern chapter will hold its annual holiday networking mixer on Monday, December 11 at 6 pm at BlackFinn Ameripub in Vienna, VA. This event is co-sponsored by NAIFA Northern Virginia, and always boasts a great turnout!

This holiday event is a great time to catch up with old friends and colleagues, as well as network with new ones! The cost for the event is \$10 for members; \$25 for non-members, and includes heavy hors d'oeuvres and a drink ticket. Please register online at NorthernVAHU.org.

Also keep an eye out for our upcoming community service events in 2018. We are excited to give back to the communities in which we serve and are planning some great Volunteer Days in 2018!



Piedmont Chapter

By Lori Carter

Guests enjoyed the PVAHU lunch meeting and NAHU webinar in October. Piedmont president **Lori Carter** is pictured here with Legislative chair **Brooks Powell**.

PVAHU is hosting the December NAHU webinar with **Janet Trautwein** on Wednesday, December 6 from 3-5 pm at Phase 2, combining the meeting with a holiday social with great food and drinks! "We would love to have all of our members there to ring in the holidays and enjoy time with friends," Piedmont chapter president **Lori Carter** said. "Please bring a guest, non-members are welcome for a special price of \$10." Please RSVP by December 1 at VAHU.org.



Central Chapter

By Arty Accardo

The Central chapter hosted a free holiday party in November as a member give-back event. Everyone had a fantastic time. The chapter also gave back to the community by supporting the Saint Mary's hospital. The chapter focused their donations on non-essential, but much needed, items for the children and their families during their hospital stay.

Save the date for the next CVAHU general meeting on Wednesday, January 3 from 11:30 am - 1 pm. Please check the VAHU website for meeting details. The next board meeting will be Friday, January 19 from 1-2 pm at the River Cross Group in Richmond. Anyone interested in taking a position on the board should RSVP to Arty at arty@artyaccardo.com.



Southwest Chapter

By Amy Mutter

The Southwest Chapter will hold our first chapter meeting of the new year on Wednesday, January 24, 2018 from 11:30 am - 1 pm. Please check the VAHU website for details. The chapter continues to look for at-large members to serve on our board to learn the basics of our chapter.

"Being involved in VAHU has so many benefits both personally and professionally," Southwest chapter president Amy Mutter said. "Please consider joining us in keeping our industry strong."

Scholarships to NAHU's Capitol Conference, February 26-28, 2018, may be available to those interested in serving our chapter. Please contact Amy Mutter at amym@thinkinnovative.net if interested.

Charlottesville Confronts Soaring Cost of ACA Plans

(continued from pg. 1) "We were the model for states in terms of competitive and successful exchanges. Then what happened is carriers lost a lot of money and they started to reexamine - 'Gee, I'm not sure I can sustain participating in this,'" Gray said. "Do I want to stay in this business? Can we explain to our customers a rate increase this big?"

There are few options for consumers like Dixon who need coverage.

He recently created a Facebook page titled, "Charlottesville For Reasonable Health Insurance," hoping someone else had found a solution. Soon there were 161 members with the same problem, but little more to offer than empathy.

Among them was Shawn Marie Cossette, 55, who runs her own event and floral design business in Charlottesville. Last year, she purchased an Anthem silver plan for \$550 a month for herself. This year, under Optima, a silver plan would cost her \$1,859 monthly.

"It's a huge percentage of my income," she said. "I really believed in the ACA. I really feel everyone deserves the right to health insurance, but who can afford those prices if you don't qualify for subsidies?"

Cossette has found a workaround that while not ideal will result in her paying double rather than triple what she did last year. She is working with an insurance agent to form a small group plan and will put her one full-time employee on it. She'll pay for his insurance and her own in full, which will come to around \$1,100 a month, and she can go back to Anthem under group coverage.

Dixon is looking to do something similar, although he doesn't have any employees. He would have to hire someone and begin paying a salary, which still might be cheaper than the premiums he'd pay on the individual market.

Others in the group have considered moving to another county with better carrier options. Some have suggested cutting their take-home pay so they could qualify for subsidies. And even more are thinking about getting a full-time job with benefits.

"People are desperate," Dixon said. "I feel like we're victims in the political games being played by the administration. It's hard for me to look at it any other way."



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A Note from Your Legislative Team

By Amy Mutter & Chris Renkar

As the year comes to a close, VAHU would like to share the insight of lobbyist, Bill Gray, following a turbulent election season in Virginia. State action on all issues related to health care, health insurance, and other products we provide will be under close observation by your legislative team this season.



Your grassroots participation in the legislative process is as important as it has always been to ensure the vision of VAHU and our mission to advocate for consumers continues into 2018. Please mark your calendars today for both VAHU Day on the Hill 2018 and NAHU Capitol Conference 2018. We look forward to seeing you there.



Election Update from the Desk of Bill Gray

By William A. Gray, Esq., VAHU Lobbyist

Virginian's went to the polls on November 7, and elected democrat Ralph Northam as Governor, democrat Justin Fairfax as Lt. Governor, and re-elected democrat Attorney General Mark Herring. Although each race was predicted to be close, the winners ended up enjoying a comfortable margin of victory. Many political analysts attribute the results to "anti-Trump" sentiment, and a very efficient democratic "get out the vote" effort.

The bigger story for us is the results for the House of Delegates races. All 100 House seats were up for election, and the anti-Trump and/or democratic grassroots efforts made its way down to these House races. Prior to the election, the republicans had dominant control of the House with a substantial majority of seats. Most political analyst expected the democrats to pick up a few seats. But no one (if they are honest) predicted that 15 seats would switch from republican to democrat. And that 15 seat pick up is as of the date this newsletter report is being written. There were several races where the current republican won by just a very few votes. Recounts are likely. If the democrats pick up just one more seat, the House would be split 50-50, and thus a power-sharing arrangement necessary. If they pick up 2 more seats, the Dems would be in control.

Regardless of the outcome of recounts, there is another "wild-card" that can be played, and thus impact which party controls the General Assembly. Look for Governor-elect Northam to offer to some Republicans plum jobs as part of his administration. The good salary, and pension benefits they would get will be attractive to some. If a House or Senate republican takes a job with the Northam administration, that immediately changes the partisan "numbers" in each chamber, and thus who controls the levers of power. Plus, special elections would be necessary to fill open seats. Stay tuned.

Where in the World is VAHU?

VAHU is taking a dive!

CVAHU Member and Legislative co-chair **Chris Renkar** couldn't get enough of the latest issue of *America's Benefits Specialist* - so he decided to take it with him on a dive to Neptune's Throne off Playa Grandi in Curaçao in the Dutch Antilles!

Have your photo featured! Email the pictures and details to VAHU President Heather Kochanowicz at heather@coteva.org.



Congratulations to 2017 LPRT Qualifiers!

Eagle Level

Timothy Hicks

Pictured: Brenda Cutting's Soaring Eagle trophy

Soaring Eagle Level

Lynn Atkinson
Brenda Cutting
Lawrence J. O'Brien

NAHU's Leading Producer Round Table (LPRT) encourages excellence among its members by recognizing their sales achievement.

For more information, visit www.nahu.org.



Spotlight *Hannah Warren*

This month we are excited to feature **Hannah Warren**, an up-and-comer to both the industry and VAHU. Born and raised in Chesterfield County, Hannah now lives in Henrico, VA.

Hannah graduated from Virginia Commonwealth University in 2014 and joined Your Benefits Partner shortly thereafter. Her initial focus was on the Allstate accounts managed by the agency. While Hannah enjoyed the work, her entrepreneurial spirit led her to move in the direction of becoming a non-captive insurance agent.

Hannah is currently in her third year with her agency. Her focus is on individual clients, and she is FFM certified to work with clients both on and off the Exchange.

Hannah's involvement with VAHU began at the insistence of her co-workers, who are strong advocates of the association.

"There is no better way to immerse yourself into the industry, meet peers and get the most up to date information," Hannah said. She joined the Central chapter nearly two years ago and eagerly accepted an opportunity to become Communications Coordinator on the state board of VAHU.

Hannah's goal as the Communications Coordinator and member of the board is to help open the lines of communication.

"It is so important for all of us to be a part of the conversation on the status of the health care industry. Those of us immersed in the field need to have a strong voice in communicating with the state legislature on the needs and challenges facing our clients today."

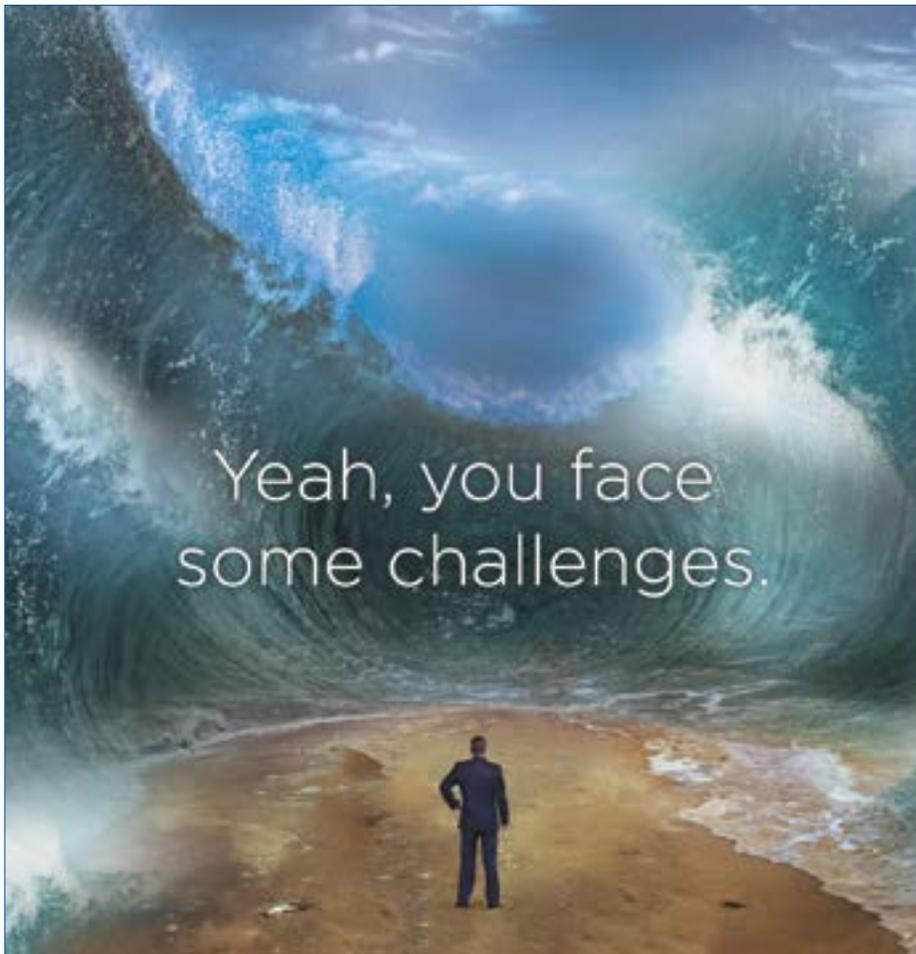
To new brokers out there, Hannah said, "Have patience."

"I have learned that in this field, you have to have patience. Things are always changing. As soon as you think you know the answer, something changes. I embrace the challenge and have learned to appreciate the fluidity of the industry and the feeling of accomplishment, as I continue to grow in my field."

"Get involved and get to know others involved in VAHU," she added. "Step out of your comfort zone. The health care industry is complicated and VAHU provides ample opportunities to further your knowledge base and differentiate yourself from others in the field."

So what don't we know about Hannah?

Hannah is a foodie. In fact, she met her husband (the two married earlier this year) while both worked at the same restaurant seven years ago. Her husband continues to be in the restaurant business, and together, they enjoy checking out new locales during their time off. While digesting, Hannah can be found singing in her worship band at church and spending time with family.



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