



## 2007 OAHU Calendar

Board meetings and Legislative Council meetings are held in Columbus the third Thursday of every month from September through April. Please note that there will NOT be a February meeting this year.



### OAHU Executive Board

**Frank Novy . . . President**  
fnovy@qasdirect.com

**Michael Stahanczyk . . . Pres. Elect**  
mstahanczyk@humana.com

**Carol Conway . . . Vice President**  
conwayc@nationwide.com

**Steve Brubaker . . . Sec'y/Treas.**  
stephenbrubaker@msn.com

**Mike Moore . . . Past President**  
mike.moore@myers-ziemke.com



### OAHU Office

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## Reflect on Years Past

by Carol Conway, OAHU Vice President

It is during this time of the year that we usually start planning for a successful new year. As we look to the new year, it may be fun to look into the past to see where OAHU has been during the last fifteen years. I had the pleasure (if you like hot, dusty storage units) of delving into some of OAHU's past while cleaning out the storage unit this summer. I found some interesting OAHU HealthLines from the early 1990s with some very dedicated names and faces. Perhaps you remember:

- When the five chapters in Ohio included the Miami Valley Association of Health Underwriters! (dissolved in 2000)
- Dave Kross was OAHU President (what commitment by Dave to OAHU)
- The NAHU annual symposium was held in Cleveland, Ohio
- Linda Erlenbach, President of OAHU, posed with President Clinton at a fund raiser in Cincinnati
- OAHU reorganization (December, 1989)
- Universal Health Care in Ohio (UHIO) implemented a major membership and fund raising drive and began attacking House Bill 478

History does repeat itself!!!! And the people that provided leadership to OAHU in the 1990s are still around and still leading. We need to recognize these leaders and join them in our quest to move OAHU into the next decade. Join me in becoming part of history by resolving to be an OAHU leader in 2007!!!!

Congratulations to Linda Erlenbach, who received the Region 3 Distinguished Service Award in 2006.

## Membership News

by Mary T. Lavelle, CPCU, LTCP, CLTC

The results of the Annual Membership Drive, which runs from May 1, 2006 through April 30, 2007, has Ohio ranked 4th in the country with seventy-three new members. This represents an 8.64% new member growth, bringing the total membership to 845 with 84.32% retention. The local chapters responsible for recruiting the seventy-three new members are: Northeast-31, Cincinnati-17, Columbus-18, Northwest-4 and Western Reserve-3. Membership source: Gain Report November 2006.

"Let's Cruise Past 1,000 Members in Ohio!" is underway until April 1, 2007. You have only a few more months for a chance to win. All you have to do is recruit a new member and your name is entered into a drawing to win a Seven-Day Caribbean Cruise for Two. How lucky do you feel? Every time you recruit a new member, your name is entered again for the drawing! This prize

is valued up to \$2,000. All you need to do is bring in new members. Remember... your name must be listed on the application and the new members must be approved by NAHU prior to April 1, 2007. Play a part and help OAHU reach our goal of 1,000 Members in Ohio by April 1st!

Congratulations to Ken Jones, Northeast. Ken was the winner of the "Top Recruiter Campaign" this fall. Ken recruited eight new members. For his efforts, Ken won two tickets to the OSU/Michigan Game in Columbus, Ohio. What great game... Way to go Ken!

Many thanks to the other recruiters for their participation in the campaign: Racene Bolton-Gresham, NE; Diane M. Oliver, CN; Frank E. Isabelle, II, COL; Carmelita Merrick, CN; John P Bergan, Jr., CLU,ChFC, NE; John A Dodd, Jr., CLU,ChFC,RHU, COL; John P. May, COL; Mary L Aust,

CLU,ChFC, CN; Kevin K. Conrad, RHU, COL; Scott Vactor, NE; Mary Stephens, REBC,RHU, CN; Kenneth J. Statz, NE; Robert Gustafson, Jr., NE; Shelley A. Chornak, NE; Randy H. Klein, NE; Francine M. Kotarski, NE; Jessica Lagusch, COL; Marylee Lewis, RHU, NE; Timothy N. Barhorst, COL; Deborah R. Boop, NE; Vicky Reed, CN; Rebecca Hetzer, CN; Jeanne Filchok, WSRES; Nancy T. Kuzenko, WSRES; and Julie L. Hulett, CN.

Your local chapters have developed creative new membership campaigns to help you attract new members.

If you have an idea on how we can attract new members, let us know by e-mailing it to admin@ohio-oahu.org, attn: membership.

### Columbus

by *Phil McCool, President*

As it relates to this year's election and again in '08, the National Association of Health Underwriters has a push for recruiting new members. CAHU and OAHU are doing their part with membership recruiting contests as outlined by our membership chair Scott Lewis. The growth of NAHU is a direct correlation to the influence we have on federal policy as it relates to health insurance. Those fellow agents who are not members of Health Underwriters need to understand the role NAHU plays in the preservation of their career. Please spend a few minutes talking to your fellow agents about joining.

The (CE & Health Care) Expo will be here before we know it and the committee in charge has been working hard to improve the program. As part of the theme, "What CAHU can do for its Membership," you will notice a few changes. Starting with the cost (for members) to attend, the board has cut it by 50% from last year. We are also adding a few perks. Please mark February 13th on your calendar; this is an Expo you will not want to miss.

### Greater Cincinnati

by *Carmelita Merrick, President*

A message worth repeating:  
(Taken from NAHU's Washington Update 11/08/06)

"With the results of yesterday's mid-term elections comes a turn in tide for our political future as an organization. Now, more than ever, we must make a united stand against special-interest groups that would threaten a free-market approach to our health care delivery system. We must come together as an organization in an effort to inform members of Congress about the issues that affect our industry. With so many new members of Congress come fresh opportunities to build relationships and establish an unwavering image: NAHU is a strong, united organization that has the answers legislators need to solve the health care crisis in this country.

We encourage each of you to choose now to support your industry and your organization by beginning a

monthly donation to HUPAC. A commitment of just \$10 a month from each member would finance a more powerful position in Washington for NAHU's legislative staff, commanding the attention of legislators and further establishing NAHU as one of the leading trade associations in our industry. For those who already contribute, we encourage you to increase your donation – even if it's by a small amount. 2008 is steadily approaching, and the path to the Presidency began for many in this morning's early hours. We must prepare to support those who would show appreciation for our positions, but we must also prepare to counteract the forces of those whose efforts work against our nation's health care needs. Choose now to prepare for the future, and choose now for NAHU to be part of the solution."

I personally encourage all of our members to take this message to heart.

"Every man owes a part of his time and money to the business or industry in which he is engaged. No man has a moral right to withhold his support from an organization that is striving to improve conditions within his sphere."  
– Theodore Roosevelt

### Northeast Ohio

by *Ellen Pacholski, President*

Many of us take a few moments during the holidays to reflect on our individual performance over the year. We ask ourselves if what we do is effective. Do our activities make a difference in our personal and business relationships? Are we effective in the overall scheme of things?

We touch the lives of others in a way that other professions cannot. We are in a unique position to positively affect our clients' lives and help protect them from financial ruin. You may have been instrumental in providing the right insurance coverage at the right time. Perhaps you sold a long-term disability policy that paid your client's mortgage and prevented loss of the family home when he became ill; or sold a long-term care policy that prevented eradication of your client's retirement savings; or sold a health insurance plan for your 25-year-old business owner client who was just diagnosed with a brain aneurysm.

OAHU members have many things for which to be thankful and enviable. We are members of a profession that is dynamic and stimulating. As a result there is always something new to learn, which results in some additional value we can bring our clients.

During our lifetimes we will be faced with many personal and business rewards and challenges. At times, the challenges may be almost insurmountable, while the rewards bring overwhelming joy. As we prepare for whatever personal/business reward or challenge that may present in 2007, I hope you know that you do make a difference in the lives of those you touch. On behalf of NEOHUA Board of Trustees I would like to thank all of you for your commitment to serving Ohioans and wish you all a very happy and healthy new year.

### Western Reserve

by *Jeanne A. Filchok, President*

Western Reserve's first general meeting was held on January 17th. Attendance was thirty-eight, with ten being non-members. We are following up with those ten non-members with hopes of seeing them join. American Community Insurance and Medical Mutual of Ohio were sponsors for the meeting. Hal Becker, the guest speaker, talked about ethically selling, with a focus on the fundamental of sales. Hal was an awesome speaker.

WRAHU members George Morris, John Woods and Jeanne Filchok will be attending the Capitol Conference.

We are actively pursuing a consultant feature for our Web site which will allow members to ask any legal or COBRA questions. We are also working to get advertisers on our Web site as a source of extra income.

WRAHU's next general meeting is scheduled for March 21st.

### Northwest Ohio

by *Matt Bodnar, President*

If you go to [www.nwoahu.org](http://www.nwoahu.org), you'll see the remaining schedule for this year. Our December meeting was successful. We had sixty-two attendees, \$145 was donated to Love Inc., a local charity,

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## ***Around the State - the Local Angle***

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and the panel discussion was very interesting. We received many positive comments about the panel discussion. February 13th will be a legislative forum with CE credit. We're working to finalize the 5 legislators and confirm the sponsor and final agenda.

Mark your calendar for Northwest's upcoming events:

February 13, 2007

April 18, 2007

July 31, 2007

## **Oliver Accepts Re-Appointment**

Diane Oliver, a past president who is currently serving as membership chair for Greater Cincinnati Health Underwriters, has accepted a re-appointment to the Insurance Agent Education Advisory Council as a representative of the Ohio Association of Health Underwriters for a term of three years.

Oliver is a graduate of the University of Cincinnati, College of Pharmacy. She has over twenty years experience in healthcare, including medical and insurance sales. As a managed care specialist for a home infusion company, which she helped establish in Greater Cincinnati, she became interested in the insurance side of the industry while working with one of her clients, HealthSpan. Oliver joined HealthSpan in 1995 as Sales Manager to help grow HealthSpan's business to over 130,000 members. She has been very active in her professional organization, Greater Cincinnati Association of Health Underwriters. She has held positions of education chair, secretary/treasurer, vice president and president. She currently is chairing the membership committee.

Diane Oliver ascribes to the words of Theodore Roosevelt who claimed, "Every man owes a part of his time and money to the business or industry in which he is engaged." She feels that she has reaped more than she has given in her work for health underwriters.

## ***OAHUPAC Update***

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### **Forecast for the Year 2007**

In the next year, the political and legislative landscape will be extremely active. Key significant legislative issues remain on the forefront. A few examples are single payer plan (SPAN OHIO), school pooling plan, high risk pool, and now our new governor has proposed a "Health Care Exchange" to provide coverage to Ohio's working uninsured.

Your help is needed more than ever. The challenges we will face over the coming years will be significant. Your contribution to OAHUPAC gives the association the ability to have access to the legislators who will determine the future

of health care. We must continually remind our lawmakers of the value we as professional agents bring to the health care system.

### **Goals for the Year 2007**

The OAHUPAC aim is 100 Capitol Club members and 300 total contributors. During 2007, please consider getting actively involved with OAHUPAC. All contributions really do make a significant difference. Our association is working hard to protect our role as professionals and fighting to implement programs to provide all Ohioans health care using the free-market system. We currently have approximately a thou-

sand members of the Ohio Association of Health Underwriters. If we all contribute, we could easily meet our goals. Imagine if all current members of OAHU contributed ten dollars a month, which would equal an annual total of \$120,000.00.

Please consider becoming a member of Capitol Club. Getting involved with the current and future legislature really will make a difference and protect our futures.

OAHUPAC expresses gratitude for all of your support in 2006 and we look forward to making a difference together in 2007.

### **State Board Nominations**

In compliance with OAHU bylaws, this notice is to inform all OAHU members that nominations are now being accepted for the State Board positions. If any person is interested, please contact Michael Moore at [mike.moore@myers-ziemke.com](mailto:mike.moore@myers-ziemke.com) or 419-465-2571 for more information.

### **Looking for an OAHU Member?**

Did you know that you can now view an alphabetical listing of OAHU members when you visit the Web site at [www.ohio-oahu.org](http://www.ohio-oahu.org)? Just click on the membership box on the left side of the screen and then on "Find a Member." It's that easy!

Members can be searched by the first letter of their last name, and each listing contains the member's name, company, city, phone number and e-mail.

**Q: What is Workers' Compensation Group Rating?**

**A:** Group rating is a program that allows companies in a similar industry to "group" their workers' compensation claims history together. By grouping companies with few or no claims, all businesses enrolled in the group will earn up to a 90% discount on their premium.

**Q: Why should an employer join a group rating program?**

**A:** Group rating enables companies to save significantly on workers' compensation premiums, ranging from as high as 90% to as low as 20%, for those companies with claims. While group rating is an Ohio Bureau of Workers' Compensation (BWC) program, all group programs are sponsored by an organization, such as OAHU. Each program offers its own savings rate.

**Q: How is coverage provided under the OAHU Group Rating Program?**

**A:** Coverage is still provided through the BWC. Each employer maintains their own policy number and payments continue to be made to the BWC.

**Q: Can an employer only enroll once a year, and is this true of all groups?**

**A:** Yes, BWC regulations dictate this. Applications (AC-3s) are accepted until the end of December. Quotes are provided throughout the Fall and into the Winter with actual enrollment taking place in February.

**Q: Is there a cost to participate in the OAHU Group Rating Program?**

**A:** Each employer is charged an administrative fee to be in the program. By enrolling in a group rating program, the employer is also hiring plan administrator Compensation Consultants Inc. (CCI) to provide cost control services. Details of the administrative fee will be provided along with the proposal.

**Q: If I am uncertain whether my client or prospect would qualify, should they apply?**

**A:** Yes, each year the BWC assigns new rates based on an employer's payroll and experience. A company who did not previously qualify due to penalty rating may qualify if their claim history improved.

**Q: How will an employer receive their savings?**

**A:** Coverage is with the BWC and the premium statements from the BWC will reflect the group discounted rate. For example, if the rate begins on July 1, 2007, your first discounted premium payment will be paid in January 2008.

For more information about workers' compensation group rating, contact Colleen Culp with CCI at 800.837.3200, ext. 7228 / colleen.culp@ccitpa.com or Robert Nicoll with CCI at 330.452.1050, ext. 14 / robert.nicoll@ccitpa.

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## New ODI Director

Mary Jo Hudson of Bailey Cavalieri LLC in Columbus has been named the new Ohio Department of Insurance Director. Hudson graduated from Miami University (B.A., Public Administration) in 1985 and is also a 1988 graduate of the University of Cincinnati College of Law (J.D., with honors). She is a member of the Ohio State Bar Association Business Law Section, the Columbus Bar Association and is a Past President of the Ohio Human Rights Bar Association. She also serves on the Board of Directors for the Human Rights Campaign and is a Leadership Columbus Class of 2000 Graduate.

Hudson's areas of emphasis include: consumer law compliance; state and federal advertising law; warranty issues and disputes; consumer credit disclosures, including the Truth in Lending Act and the Truth in Leasing Act; fees allowed for lay-away, bad checks and shoplifting; bad debt and collection practices; fair credit reporting; unfair and deceptive practices; catalog compliance with federal and state law, including mail order rule; nationwide expertise in all jurisdictions; Web site sales, design and disclosures; numerous representations with state attorneys general; extensive expertise with unclaimed funds law; privacy law, including compliance with Gramm Leach Bliley Act and state insurance laws; insurance regulations and liquidations; general corporate law; commercial lending; standard working capital arrangements; real estate lending, construction and permanent financing; and securitizations.

She has represented retailers, addressing various consumer law, sweepstakes, catalog disclosure and advertising law compliance issues. Hudson established an on-line e-mail payment system and several on-line loan and lease application processes. She also represents numerous on-line and retail catalog merchants operating in all fifty states in complying with the mail order rule, gift certificates, credit card fraud, content requirements, advertising law and other related issues.

Mary Jo Hudson can be reached at 614/229-3290 or e-mail [mj.hudson@baileycavalieri.com](mailto:mj.hudson@baileycavalieri.com).

## State Legislation: the Past, Present, & Future

By David Kross, RHU

“Lame Duck” usually refers to the period of time between the general election in November and the end of the current legislative session which is sometime in December. Traditionally, not much is accomplished during this short period of time. That was except for this year because the executive branch of state government has changed political parties. The Republicans left that office which they had held for 16 consecutive years and the Democrats, lead by Governor Elect Ted Strickland, took office on January 7th. Due to this occurrence, the Republicans were busy passing legislation that they felt was necessary before the change in the executive branch occurred.

Looking back at the past two months (a.k.a. the **Past**) the state legislature passed two bills that Governor Taft signed into law that directly impact the health insurance marketplace. S.B. 5 contained items that dealt with small group reform and broker disclosure requirements. Major provisions of S.B. 5 include:

- 1) Health insurers would be permitted, but not required, to rate Small Employer Alliances as one group (i.e. community rated), using the overall experience of the Alliance to set premiums.
- 2) Both Alliance and Small Group law were amended to increase the rating bands from +/- 35% to +/- 40%.
- 3) Health insurers are authorized, but not required, to offer a 5% low-claim discount for groups with favorable claims experience, which could be applied outside the rating band restrictions.
- 4) Amends the Alliance law to increase the eligible employee group size from 150 to 500 employees.
- 5) Decreases the number of insured lives from 2,500 to 1,000 for an Alliance to qualify for the premium tax exemption.
- 6) Gives the Ohio Department of Insurance statutory authority to govern the marketing and disclosure requirements associated with discount medical plans.
- 7) Requires brokers/agents who write insurance coverage on public entities to disclose their compensation arrangement when they receive fees from the public entities AND commissions and other revenue from the health insurer in advance of receiving such compensation.

In addition, S.B. 116 (a.k.a. Mental Health Parity) also passed and was signed by Governor Taft. Under this law, health insurers would have to provide coverage for the diagnosis, care and treatment of biologically-based mental illnesses. There is an “opt out” provision, which appears to authorize an employer to request a health plan that excludes this mandate when the health insurer’s claims experience for their entire book of business is increased by 1% on an annualized basis. Also, this mandate does apply to individual health insurance policies as well.

The **Present** involves what the Governor’s administration is beginning to discuss when it comes to solving the problem of the “working uninsured.” Keith Shoemaker, one of the lobbyists for OAHU, has been appointed to the Insurance Transition Group by the Strickland transition team to look into this issue. The administration’s idea for solving this problem is called the Health Care Exchange, whereby the state would receive new federal grants and/or Medicaid waivers to create a program whereby the working uninsured could secure health insurance coverage. This idea is just in its infancy and details are very limited. In addition, the Ohio Department of Insurance (ODI) has a new Director...Mary Jo Hudson, who is an attorney in private practice with a Columbus area law firm. Her past work history does include employment with the ODI.

The Public School Pooling issue is running its course as required under state law. The School Employee Health Care Board (SEHCB) is now meeting weekly to construct their final report, which is due to the state legislature and governor by January 31, 2007. Mercer Health & Benefits has completed the outside consultant’s report and delivered it to various legislative bodies. OAHU, with its three appointed members to the 16-member Advisory Committee, continues to gather information and raise questions about how such a program would work and impact the public school system.

The **Future** does involve some things that are near and dear to our hearts...the High Risk Pool which could help all Ohioans who, through no fault of their own, cannot purchase individual health insurance coverage at reasonable rates. Thirty-three states in the U.S. have already enacted this kind of legislation. Another concept that has never really gone away is single payer health care. On a state level, SPAN Ohio has never filed its petitions and continues to collect more signatures on a sporadic basis. On a federal level, some Democratic legislators have begun to raise this question again, since they will be taking control of the House and Senate for the first time in many years. Stay tuned and get involved with your local and state chapters. Remember what TEAM means...Together Everyone Achieves More!



### Congratulations to the First OAHU Top Recruiter Contest Winner!

Ken Jones, Northeast Chapter, braved the crowd and wore Michigan colors to the November 18th Ohio State vs. Michigan football game in Columbus. Ken won two tickets to the game by being the “OAHU Top Recruiter” and recruiting eight new members. Great job, Ken!

## President's Message

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the past year Denny Recker from Northwest Ohio again worked tirelessly on the High Risk Pool. I believe this is the year we will see it come to a vote.

Our newest chapter, Western Reserve, continues to amaze me at their ability to attract new members to their association. Great job to Jeanne Filchok and Debbie Venrose.

And finally with our two membership contests, one that finished in

November and the other still going until April 1st, Ken Jones from Northeast Ohio won the first contest by recruiting eight new members from July to November. He received two tickets to see Ohio State (beat) Michigan. The winner of the second contest will receive a Cruise for Two, right around the time my term as OAHU president will be over and I could sure use that trip myself!

During the past year I have

been blessed by many friends and acquaintances who have helped to make this association strong, such as OAHU Past President Michael Moore. Thank you to the many members around the state, who I did not mention, for your service to our association and for your hard work. I look forward to watching us cruise past 1000.

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## The ABC's of Safety

by Gary W. Hanson, President of American Safety and Health Management Consultants, Inc.

When we start school, one of the first things we are taught is our ABC's. They are the building blocks of our ability to read. Without learning our ABC's, we are at an extreme disadvantage in life. The ABC's are so fundamental to learning that often, when faced with learning new tasks, we are told it is as simple as ABC.

The same adage goes for safety. If you want to have a truly effective Safety Program, you must know the ABC's of Safety. These are:

- Awareness
- Behavior
- Attitude
- Commitment
- Belief
- Consistency

Each of the above are important elements and must be understood.

Nothing gets invented, nothing gets developed and nothing gets improved unless someone first becomes **Aware** that something can, should and needs to be done. If a company is not aware that safety is an important management element, all too often little or no effort will be put into the Safety Program. Ask yourself this question: "Of the ten most important critical management elements necessary for the success of your company, where does safety rank?" I often ask that question in seminars. I do, unfortunately, all too often hear that safety didn't even make the top ten. Other times it is on the bottom part of the list. In these companies it is clear that they are not aware of the importance of safety. Those companies that are aware have safety near the top of the list.

The next element is **Attitude**. It is not simply enough to be aware that safety is important, a company must want to have a good Safety Program. I call this the "want to" attitude. In order for a company to want a good Safety Program, they need to understand how a good Safety Program protects the most vital assets and directly contributes to the company's overall success, growth and profitability. The real value is in safety and is worth the effort.

Companies need to **Believe** in the importance of safety and their Safety Program. If not, the program will never be as effective as it should be. If it is perceived as an interference to production or sales by management, many companies will not support safety wholeheartedly. The importance of safety has to be communicated on a regular basis and all levels of management held accountable for the company's safety effort.

Often when I talk to new companies about safety, their understanding relates to the various OSHA Standards. Yet safety is not a Technical Program, it is a Behavioral Program. In order for safety to truly be effective, it has to be totally engrained in the day-to-day work behavior of every employee. Every time an employee makes a decision affecting his/her safety, the safe, right way should be the only decision they make. This will only happen if employees believe in your Safety Program and its importance.

Companies must be **Committed** to the Safety Program. It must start at the top. All levels must understand the commitment. Sufficient resources, manpower and follow-up must be allocated as necessary. This commitment has to be so clear that there is never any doubt about it and what is expected. Total Management Commitment is the most important element of any Safety Program. Without it, no Safety Program will be successful.

The last of the ABC's is **Consistency**. There must be consistency with intensity. All too often companies go on what I call a "safety diet." Someone recognizes that the Safety Program needs to be improved or upgraded. A strong effort is made to turn the program around and for awhile the efforts are successful. Unfortunately, all too often after a while that effort wanes and the success initially gained slips away. That is why consistency is required. Safety is not a project or program, but an ongoing, never ending process. It has to be managed that way.

Remember the ABC's of Safety; they will make all the difference.

If you have any safety questions or need any assistance with your program, please call American Safety & Health Management Consultants, Inc., at 1-800-356-1274.