

# Pacesetter

April | 2019



Cecil Perry, Sales Support Product Specialist

## Focal point

### Not just another flat screen

*"Now there's a grown-up, swingin' town!" – Frank Sinatra*

Recently, one of our close friends hosted us at their annual meeting. While I was there, I had occasion to meet a speaker they had brought in named Ken Schmidt. For those of you who don't recognize the name, he was the CEO of Harley-Davidson during their historic comeback from the brink of financial ruin and the author of a really gripping management book entitled *Make Some Noise*. I didn't think that a former CEO of a motorcycle company would be tremendously compelling, but from the moment he said that Harley-Davidson's main competitor was golf (and not Honda) I was hooked.

Ken is one of those guys who I think is particularly good at putting words onto concepts. In my case, he was able to articulate a management philosophy that I had been more or less following for several years, but often had difficulty trying to put into words.

The narrative begins with a hypothetical trip to Best Buy to purchase a 40" flat screen television for a kid's bedroom. A few years ago, most people would have researched the product and talked to other people about what was then most certainly a significant purchase. Today, you might get one free if you buy a sofa. So you walk to the back of the store where maybe 20 different brands of these televisions are all running the exact same video. It's immediately difficult to discern who made each one because they are all the same color, they all look pretty much the same and worse,

*continued on page 2...*



...continued from page 1 (Not just another flat screen)

they all cost pretty much the same as well. But if you're, say, an actuary, you might make an effort to compare features but you'll likely give up once you realize that most of what is supplied to you on the back of the price tag is just electrical engineering jargon at best. And so you make the only reasonable choice. You buy the cheapest one.

That's not an entirely incorrect picture of the Medicare Supplement industry.

**“I've always understood that you have to stand out in some way from the rest of the crowd.”**

It is very important what people say about you and more important what they believe about you. That's why we have always tried so hard to build unmatched human connections with all of you. You're not distributors and you're not even partners...you are our friends and we prefer to do business with friends. That shows up when we make mistakes and bend over backwards to fix them. It shows up when you call for one of our leaders and they take that call. It shows up when you need a favor and you get one. It shows up when your clients need our help and don't get a phone tree, but instead they get someone who says hello because they're your client. And the friendly people they talk to really are sitting in Nashville. (When you hear that accent, nobody ever wonders about that.)

So a couple of weeks ago when we had to make the decision to change our 2020 trip location to San Francisco, it was a big deal. These trips are important to you and they're important to me. They are not all that different in my view from you joining us for dinner at our home. It is because of the tremendous respect we have for you and for these incentive trips that we went to the trouble of making all of those personal calls, shooting the video with Joe Montana (and if you haven't seen it yet, go see it at [aetnaseniorproducts.com](http://aetnaseniorproducts.com), agent side), lowering agent qualifications and ensuring that San Francisco more than lives up to the expectations that you have for these adventures. So when you've got Alcatraz at your complete disposal or you're hanging out with us in Chinatown in a way only we can hang, you'll be glad you came.

I'm not really all that interested in being just another flat screen that nobody can tell apart.

**“We want to be the company that you think of first – and we only want to be first if we've earned that spot with you and with your people.”**

Sure, we will always work hard to be competitive for your clients; but we'll work harder to be relevant to you.

In the end, Joe Montana himself may have said it best: “You may have been to San Francisco before, but you've never seen my San Francisco and you've never seen it the way Aetna will show it to you.” Trust me when I tell you, we've planned a couple of once-in-a-lifetime events in this swingin' town!

And you might just catch a football from a Super Bowl champion between the hors d'oeuvre platter and the crudité. ●



**On the cover**

**Cecil Perry**  
Sales Support  
Product Specialist

As a former field agent, Cecil has the unique advantage of understanding agent/client relationships. In his current role, Cecil helps conserve policies of existing policyholders.

“I've been there...I know that you can be in a hurry in the field. But now that I'm on this side of things, I understand just how important it is to make sure your clients understand the policies they're purchasing.”

When Cecil isn't at work conserving policies, he enjoys working on cars with friends. And that collaborative spirit ultimately drives his professional and personal success. ●



San Francisco 2020 sales contest details are on page 7.

## The evolution and future of Medicare Supplement

With the Medicare Access and CHIP Reauthorization Act (MACRA) on the horizon for 2020, it's a good time to take a step back and look at the evolution of Medicare Supplement, including the legislative changes that have led us to where we are today.

When Medicare Supplement first came out, it was a bit of a free-for-all in the sense that companies could offer whatever benefits they thought were needed. In 1992, all Medicare Supplement plans became standardized...and the industry thought it would be the end of the world. "Guess what? We survived. And Med Supp has become a business that everyone wants to be in," says Steve Patton, Head of Distribution Strategy.

In 2010, the Medicare Improvements for Patients and Providers Act (MIPAA) came along with new plans that the industry didn't think would be adopted. Yet, one of our fastest growing plans today is Plan N.

**Through all of these changes, we've maintained some of the best healthcare programs for aging seniors.**

The next major legislative change that impacts Medicare Supplement is MACRA...and we're here to help. You can read more about the specifics of MACRA from our legal counsel, Mike Colliflower, in his "Best practices" articles – which are also archived on [aetnaseniorproducts.com](http://aetnaseniorproducts.com) (agent side).

**We're committed to making sure that our sales team has the knowledge to help you help your clients navigate these healthcare changes.** Outside of regulatory changes, our industry is constantly evolving. And the best way to stay ahead of the game is to attend the annual Medicare Supplement Insurance Industry Summit.

You can hear candid conversations from multiple carriers about industry trends like technology changes and underwriting updates, as well as build comradery with fellow agents through the networking events. We hope you'll come see us at this year's event in Atlanta from June 5-7. You can find a registration discount on the back page of this issue.

As always, thank you for being a loyal member of our Senior Supplemental family. ●



Steve Patton

Head of Distribution Strategy



Article contributed by Nicole Palsa, Marketing Operations Specialist

Year-to-date	March
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### Total production

1. Robert Hurley
2. John Lewis Savage
3. Karlee Bobbitt
4. Steven John
5. Andres Fonseca Naranjo

1. John Lewis Savage
2. William Dahlquist
3. Matthew Barron
4. Darvell Huffman
5. David Haass

### Medicare Supplement

1. Robert Hurley
2. Steven John
3. Jamie Knatz
4. Timothy High
5. Dustin Nolen

1. Matthew Barron
2. Jamie Knatz
3. Robert Hurley
4. Timothy High
5. John Lewis Savage

### Final Expense

1. Timothy Savage
2. Diana Scothorn
3. Brennan Jackson
4. Derek Jackson
5. Brady Yokely

1. Timothy Savage
2. Diana Scothorn
3. Brennan Jackson
4. Derek Jackson
5. Brady Yokely

### Cancer and Heart Attack or Stroke/Plus

1. Leslie Albanese
2. Janice Cannon
3. William Dahlquist
4. Ashley Davis
5. Dorsey Lunn

1. Matthew Blankenship
2. William Dahlquist
3. Ashley Davis
4. Tamara Cabe
5. Charles (Tony) Spikes

### Home Care/Plus

1. Destin Hare
2. Glenn Brown
3. Ken Jordan
4. David Arkenberg
5. Dale Skaggs

1. Glenn Brown
2. Destin Hare
3. Eloissa Carmona
4. David Arkenberg
5. Philip Anderson

### Hospital Indemnity/Flex

1. Casey Breeden
2. William Hawkins
3. Donald Coleman
4. Janice Cannon
5. Norman Rons

1. Norman Rons
2. Robert Lewis
3. Dylan Morgan
4. Casey Breeden
5. Maurice Weir

### Recovery Care

1. Kasie Depoorter
2. Zaidoun Hijaz
3. Leo Lauzen
4. Patricia Hall
5. Timothy Brown

1. Kasie Depoorter
2. Tracey Varana-Ray
3. Zaidoun Hijaz
4. Leo Lauzen
5. Patricia Hall

### Dental, Vision and Hearing

1. John Lewis Savage
2. Faith Connelly
3. Edward Elsner
4. Karlee Bobbitt
5. David Haass

1. John Lewis Savage
2. Faith Connelly
3. Edward Elsner
4. Anna Hanson
5. Sterling Roaf

### What's next?

In these days of blowing and going, it can be difficult to be patient. To stop, slow down, look around, and, heaven forbid, think a bit. I've worked for insurance companies since graduating from law school. While the names change, the issues are remarkably similar. Products don't seem to matter. I've touched life, annuities, lawyer's malpractice, homeowner's, commercial general liability, group medical, pensions, mini-meds, surgical, Medicare Supplement, cancer, accident, heart and stroke, and disability.

Probably forgot a few, but it isn't relevant. What is important is how little original thinking occurs in much of what I've seen...scary actually. I know insurance isn't the most exciting career opportunity and companies need to be conservative.

When somebody floats an idea around, I always ask "who's doing that today?" We're almost always copying another company, be it a product or advertising concept. I say if we want to be so and so, let's just change our name! I get the concept of "best practices." Let's sit down and figure out how things are being done and see if we can improve the processes. Get it done in three steps instead of five or eight. Back in the day, that was called re-engineering. Consultants made millions on selling re-engineering to companies.

As I'm sitting here today, I ask: "What's next? What's next for Aetna and CVS Health? What's next for the Senior Supplemental business? What's next for you? What's next for me?"

For me, all I can say is I'm on the downside of my journey. No I'm not slowing down or retiring, but when you've been

doing something for almost 40 years, you need to stop and think about what's next. My wife has had significant medical issues. Makes one take a step back and think. She's been my rock. We moved 16 times in 30 years while I was chasing my dream. I'm blessed to work from home because I've had some caregiving to do the last few months. This time will pass for us and we're coming back stronger for it.

As for the Senior Supplemental business, the home office is moving locations later this year – a few minutes down the road in a new dedicated building in a new "live, work, play" area. This is an exciting time for our associates in Tennessee. The office is being designed to help with workflows and idea sharing...pretty slick.

CVS Health announced a new concept for some of its stores, called HealthHUB. The press release referenced people walking into their local store carrying a prescription and yoga mat...which may sound odd, but definitely cutting edge. I expect it will resonate with people.

What's next for you? Do you sit down and set sales goals or continue doing what you do as you do it? I'm not a big new year's resolutions person, but I know many who do that and seem to benefit from it. Whatever you do, I hope you continue doing it well and continue doing it with us. We will be there for you and your clients. No need to ask about that. ●



## Answers & questions

### Meet MACRA

#### What is MACRA?

The Medicare Access and CHIP Reauthorization Act (MACRA) is a federal law with changes to Medicare Supplement plans in all states, which goes into effect **January 1, 2020**.

#### What's changing?

As of **January 1, 2020**:

- Medicare Supplement plans with Part B deductible coverage (Plans C, F and High Deductible F) cannot be sold to "newly eligible" Medicare beneficiaries.

- The following guaranteed issue plans will be available for "newly eligible" Medicare beneficiaries: Plans D, G, and High Deductible G (new!)

#### What is the definition of "newly eligible" Medicare beneficiaries?

Individuals who have attained age 65 or first become eligible for Medicare due to age, disability or end-stage renal disease **on or after January 1, 2020**.

#### How are current enrollees in Plans C, F, and High Deductible F affected by these changes?

Current enrollees (those eligible for Medicare prior to January 1, 2020) with Plan C, F or High Deductible F

## The next big opportunity for distributors?

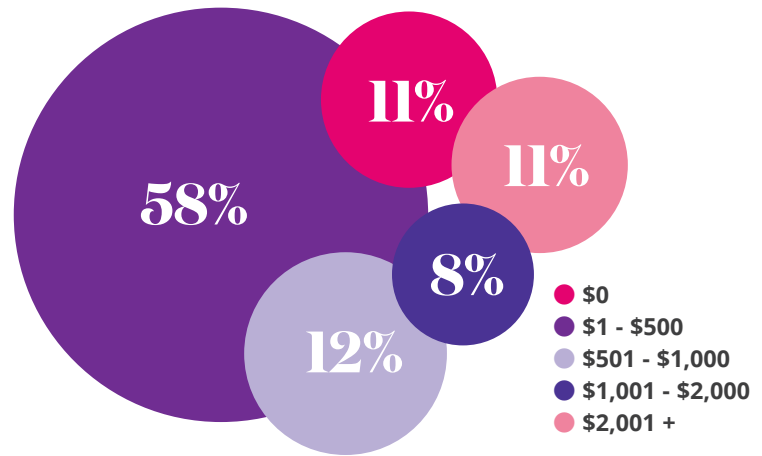
Those of you that have already registered for the 11th National Medicare Supplement Insurance Industry Summit in Atlanta (from June 5-7) may recognize the title of this column as also being my session title in the Summit program, "Is Senior Dental the Next Big Opportunity for Insurers and Distributors?"

Is this a shameless plug? Yes. For those of you that aren't going to see Ty Wooldridge during his concurrent session and that aren't going to skip this session to get a head start on the networking reception, here's the chance to learn about the next big opportunity for you.

Our Dental, Vision and Hearing product has been our most successful product launch to date. And while we believe that we have the best product out there today, a lot of the success can be attributed to market need. Numbers/percentages vary, however a study published by the Henry J. Kaiser Family Foundation states that 65% of those people on Medicare have no dental coverage, and almost half (49%) had not been to the dentist in the past year.<sup>1</sup>



Distribution of out-of-pocket dental costs for 28.7 million beneficiaries using dental services<sup>2</sup>



Dental, Vision and Hearing is a guaranteed issue product that's available to virtually all ages for about \$1 per day. Don't just limit yourself to the senior market...put all 74 million people in play! And if you're still not convinced, come to the session on June 6 at 3:45pm (rooms A-703/704, Atlanta Marriott Marquis) to learn more from the distinguished panel of industry experts, both from the distribution and carrier sides, on the senior dental opportunity. (Yes, that was another shameless plug.) ●

<sup>1</sup>Freed, Meredith, et al. "Drilling Down on Dental Coverage and Costs for Medicare Beneficiaries." The Henry J. Kaiser Family Foundation, 13 Mar. 2019, bit.ly/2TlpneA.  
<sup>2</sup>Kaiser Family Foundation analysis of the Medicare Current Beneficiary Survey (MCBS) Cost Supplement, 2016. Excludes beneficiaries in long-term care facilities as they do not collect data on dental utilization.

can keep their plan. And, they can continue to buy Plans C, F and High Deductible F **after January 1, 2020**. Current enrollees will also be able to buy the new Plan High Deductible G **on or after January 1, 2020**.

### What will happen to High Deductible plan options?

Since Plan High Deductible F cannot be sold to those "newly eligible" Medicare beneficiaries, a new Plan High Deductible G will be created. Plan High Deductible G will be available starting **January 1, 2020**. Both "newly eligible" Medicare beneficiaries and current beneficiaries will be able to buy the new Plan High Deductible G.

### What will happen to Guaranteed Issue requirements?

Plans D and G will become two of the Guaranteed Issue plans for "newly eligible" Medicare Beneficiaries **on or after January 1, 2020** (Plans C, F and High Deductible F of the current Guaranteed Issue plans will no longer be available for "newly eligible" Medicare Beneficiaries).

Current enrollees can remain with or buy Plans C, F and High Deductible F. Individuals who do not fall within the definition of "newly eligible" Medicare beneficiary will still be able to purchase Plans C and F.

If we can help you with any questions or concerns, please contact us at [AgentFeedback@aetna.com](mailto:AgentFeedback@aetna.com). ●



### Greetings from...

Old Hollywood's love affair with Greater Palm Springs began when movie studios implemented the "Two-Hour Rule," which stated that actors under contract must remain within two hours of the studio in case of last minute film shoots. The hidden oasis was just within the rule and became a favorite getaway for Hollywood celebrities.

This year, many of you will walk the streets where it's not uncommon for someone in Palm Springs to give the following directions:

**Keep going on Gene Autry, turn left on Dinah Shore and take a right on Bob Hope.**

This oasis has a preponderance of street names honoring various celebrities who have made the desert home. Just think about it. Elvis honeymooned here. Frank Sinatra drank here and his entourage made Palm Springs their playground for decades, leaving their marks at bars, restaurants, and nightclubs. And while we might not be

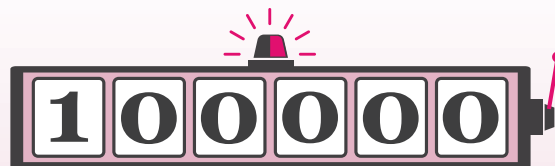
the Rat Pack when we invade this desert oasis in a few weeks, you can get a piece of it all – or at least a rough approximation.

“ **Aside from the glitz, the glamour, and celebrating each of you, it is not always the destination that is most important.** ”

I know that my staff and I find these “family unions” help to foster a stronger relationship with each of you. When we all travel together, we share personal memories, laughs, and charter new adventures together. This also provides a good platform for us to discuss business matters in an informal environment. We are able to understand your needs and experiences in an entirely new perspective – which helps us focus on the right things.

So, in the immortal words of Frank Sinatra...“It Was a Very Good Year,” “Come Fly with Me,” and “The Best is Yet to Come.” I look forward to seeing each of you for the celebrities you are! ●

## Jackpot!



Since the start of this past Annual Enrollment Period, we've been talking up how easy it is to submit electronic applications with our new ONE tool for ALL products, **Aetna Quote & Enroll**. Now we're here to tell you that we told you so... just ask the agents who helped us hit the **100,000 applications submitted milestone (via the new tool)**!

With many thanks to you, we were celebrating more than just St. Patrick's Day on March 17. And we know that it's not just luck that helped us reach this milestone

so quickly! Thank you for having the confidence in and loyalty to our products, services, and company.

If you still haven't tried the tool, don't wait any longer...it really is easy and you can sell more products in less time...jackpot! Are you ready to get started now?!?! The quick reference guide, training video, and the tool itself are all on **aetnaseniorproducts.com** (agent side). Or, just jump right in...there's also a “sandbox” to play around with. And, you can always call Agent Services at **800-264-4000** for additional help. ●



# UNLOCK THE MAGIC OF THE GOLDEN CITY

You're invited to join us in San Francisco.

## Trip

April 20 – 24, 2020  
(President's Cabinet will arrive a day earlier.)

## Qualification period

January 1 – December 31, 2019

## Qualifying products and requirements

Combination of any of these products:

- Medicare Supplement = one-for-one on production
- Final Expense = two-for-one on production
- Complementary = three-for-one on production (Includes Cancer and Heart Attack or Stroke/Plus; Home Care Plus; Hospital Indemnity/Flex; Recovery Care; and Dental, Vision and Hearing.)

## MGAs

- \$5,000,000 production = 1 trip
- \$10,000,000 production = 1 extra trip
- \$15,000,000 production = 2 extra trips

## Recruiting GAs

- \$1,000,000 production = 1 trip
- \$4,000,000 production = 1 extra trip

## Agents

\$175,000 production = 1 trip

## President's Cabinet

These contest qualifiers will earn an extra day's stay in San Francisco:

- Top 3 Medicare Supplement agents
- Top 5 total production: MGAs and RGAs
- Top 1 Final Expense: Agent
- Top 3 Cancer and Heart Attack or Stroke/Plus: Agents
- Top 3 complementary products combined: Agents (Does not include Final Expense and Cancer and Heart Attack or Stroke/Plus.)

## Companions

Each qualifying winner/trip includes one companion (at least 21 years of age) who can attend the trip at no additional charge.

*For all the details and to track your progress, go to [aetnaseniorproducts.com](http://aetnaseniorproducts.com) (agent side/promotions).*





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