



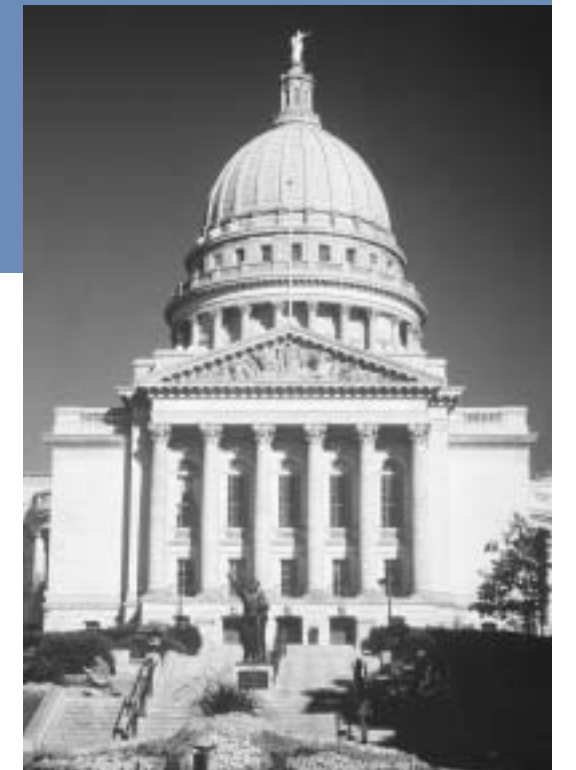
**WISCONSIN ASSOCIATION OF HEALTH UNDERWRITERS**

**WAHU**  
 news

A QUARTERLY PUBLICATION OF THE WISCONSIN ASSOCIATION OF HEALTH UNDERWRITERS

**Wisconsin Association of Health Underwriters**  
*Day on the Hill*

**The Madison Concourse Hotel**  
**Madison, Wisconsin**  
**February 16–17, 2005**



**WAHU—Benefiting You!**

*Dean M. Hoffman, 2004 WAHU President passing the gavel to Kathryn Beals, 2005 WAHU President.*

**Save the Dates!**

**2005 LOCAL CHAPTER SPRING MEETINGS & GOLF OUTINGS**

(All Locations TBD, unless noted)  
 2–3 Credits of CE Offered at all Chapter Meetings

- |                |   |
|----------------|---|
| April 14, 2005 | South Central Spring Chapter - Madison                        |
| April 15, 2005 | Southeastern Spring Chapter - Milwaukee                       |
| April 19, 2005 | North Central Chapter Spring Meeting                          |
| April 2005     | Fox Valley Chapter Spring Meeting                             |
| June 14, 2005  | South Central Golf Outing - The Bridges Golf Course - Madison |
| June 2005      | Southeastern, North Central, Fox Valley                       |



Go to [www.eWAHU.org](http://www.eWAHU.org) for the latest information on upcoming meetings!

**Monthly Features**

- |                              |                      |                    |                          |                   |                               |                                |              |
|------------------------------|----------------------|--------------------|--------------------------|-------------------|-------------------------------|--------------------------------|--------------|
| <b>3</b>                     | <b>4</b>             | <b>5</b>           | <b>8</b>                 | <b>10</b>         | <b>12</b>                     | <b>12</b>                      | <b>14</b>    |
| Thoughts from Your President | Message from Madison | Legislative Update | Program Committee Update | Membership Report | Public Service and Foundation | Local Chapter Monthly Meetings | Chapter News |

February | 2005

# Wisconsin Association of Health Underwriters

## WAHU 2005 Officers and Board Members

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## WAHU 2005 State Committee Chairs

**Awards**  
Dean Hoffman

**Media Relations**  
Jon Rauser

**Corporate Sponsors**  
Mark Mason  
Tom Williams  
Kent Schroeder

**Education/RHU**  
Melody Hope

**Legislative**  
Greg Horstman

**Capitol Club, WLS and HUPAC**  
Laurie Kohls

**Membership**  
OPEN  
Cathy Antonie

**Nominations**  
Katie Beals

**Programs**  
Jon Rauser

**Public Service**  
OPEN

**Technology**  
Harry Bortel

**Chapter Development (new committee)**  
Kent Schroeder  
Dean Hoffman

## UPCOMING EVENTS

**February 16-17, 2005**  
**WAHU 2005 Day on the Hill**  
Monona Terrace Community & Conference Center  
One John Nolen Dr.  
Madison, WI **6 Credits CE**

**February 23, 2005**  
**3rd Annual Business Day in Madison**  
Monona Terrace Community & Conference Center  
One John Nolen Dr.  
Madison, WI

Due to the nature of this meeting, pre-registration is required.  
The registration deadline is 4:00 p.m. on Friday, February 11, 2005.

**Registration Cancellation Policy:** There will be a \$10.00 processing fee per registered member for cancellations received in writing before February 11, 2005, and no refunds for cancellations received after February 11, 2005.

\*Members who are interested in bringing Employer Clients, please contact WAHU for details.

## WAHU 2005 Day on the Hill REGISTRATION

EARLY BIRD through Feb. 7	Member*		Non-Member	
	Wed. Feb. 16	\$95.00	\$125.00	
Thurs. Feb. 17	\$75.00	\$105.00		
Total	_____	_____		
Registration costs AFTER Feb. 7	Member*		Non-Member	
	Wed. Feb. 16	\$105.00	\$135.00	
Thurs. Feb. 17	\$85.00	\$115.00		
Total	_____	_____		

Please check which events you will attend on Wednesday, February 16, 2005

- |   |  |
|---|--|
| <input type="checkbox"/> 12:00 p.m. Lunch                               | <input type="checkbox"/> FREE 10:00 a.m. 1 credit CE Courses |
| <input type="checkbox"/> Legislative Appointments                       | <input type="checkbox"/> FREE 1:30 p.m. 1 credit CE Courses  |
| <input type="checkbox"/> Capitol Hill Club (Pres. Level Only) Reception | <input type="checkbox"/> 5:30 p.m. WAHU Members Reception    |

Name \_\_\_\_\_

Home Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Your Representative's Name \_\_\_\_\_

Your Senator's Name \_\_\_\_\_

*If you don't know your Legislators name, you can find it at [www.legis.state.wi.us/waml](http://www.legis.state.wi.us/waml)*

Company Name \_\_\_\_\_

Business Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Business Phone \_\_\_\_\_ Email \_\_\_\_\_

WI Agent License # (required only for CE credit) \_\_\_\_\_

### Credit Card Info: Visa or MasterCard Only

Card # and Expiration \_\_\_\_\_

Amount \_\_\_\_\_ Signature \_\_\_\_\_

### Make checks payable to WAHU

Return Registration forms to 4600 American Parkway, Suite 208, Madison, WI 53718 or fax 608-241-7790.

Questions? Contact Megan Purtell at (608) 268-0200 or email [wahu@ewahu.org](mailto:wahu@ewahu.org).

**WAHU—Benefiting You!**  
**Day on the Hill 2005 • February 16–17, 2005**  
 Monona Terrace, Madison WI

**Agenda**  
*(Subject to Change)*

**WEDNESDAY, FEBRUARY 16, 2005**

- 8:00 a.m.–12:00 p.m. Registration
- 8:45–10:00 a.m. Legislative Panel  
 Rep. Huebsch (Invited)  
 Rep. Kreuser  
 Senator Robson  
 Senator Lasee  
 Moderator, Nino Amato
- 10:10–11:00 a.m. “Wisconsin Hospital Cost Data” **1 FREE CE Credit**  
 Joe Kachelski, Vice President, WHA Information Center
- 11:10–11:30 a.m. WAHU Legislative Update  
 Dan Schwartzer, Executive Vice President WAHU  
 Greg Horstman, Legislative Chair WAHU
- 11:40 a.m.–1:15 p.m. Lunch: Keynote Speaker: Jorge Gomez, Commissioner of Insurance  
 Insuring Freedom Award Presentation  
 WAHU Platinum Corp Sponsor Exhibit Booths
- 1:25–2:10 p.m. Town Hall Forum **1 FREE CE Credit**  
 Dan Schwartzer, Executive Vice President WAHU
- 2:30–3:15 p.m. Senate Appointments
- 3:15–4:00 p.m. Assembly Appointments
- 4:15–4:45 p.m. Debriefing Session
- 5:00–6:00 p.m. Capitol Hill Club Private Reception with  
 Senator Dale Schultz and Representative John Gard  
 (Presidential Level Members Only)
- 5:30–6:00 p.m. WAHU Member Reception/Exhibit Booths Platinum Sponsors  
*Reception Sponsored by BlueCross BlueShield of Wisconsin*
- 6:00–7:00 p.m. Legislative Reception

**THURSDAY, FEBRUARY 17, 2005**

- 7:45–8:30 a.m. CE Sign In and Continental Breakfast  
*Breakfast Sponsored by Delta Dental of Wisconsin*
- 8:30–10:10 a.m. The Benefits Agent Today: Going Beyond “Getting Quotes” Employment  
 Laws that Impact Health and Disability Insurance Administration  
 2 Credit CE Course  
 Bob Gregg, Boardman Law Firm
- 10:20–11:55 a.m. “Consumer-Driven Health Plans—Will They Be Competitively Priced?”  
 2 Credit CE Course  
 David Huttleston Sr., Huttleston and Associates

**View from My Chair...**

This is my first message to WAHU membership as your 2005 President. Conventional wisdom would indicate that my message should focus on our association’s general health (it’s thriving), its direction (even better programs and an expanded membership base in 2005) and include a word or two of wisdom regarding our industry (healthcare financing continues to be a huge issue to all). I have to admit that I procrastinated because I didn’t think my message would be thought provoking enough, it wouldn’t be significant enough, or it plain wouldn’t sound smart enough. Then a friend suggested that since our 2005 theme is WAHU—Benefiting You, what I should really reflect on is how WAHU has benefited me.



Katie Beals

So I begin to think about the last fourteen years that I have been associated with this organization and then I wanted to stop thinking about it, as it made me feel even older now that my teenager is getting her driver’s license. Our members join for many different reasons, whether it is networking, professional development, educational, and yes, social opportunities. For me, I think it was that my employer thought it was a good idea and at the time a very good friend and mentor just happened to be state president. There was one state chapter which held a couple of meetings in different locations throughout the state with almost all of the work being done by those volunteer board members. I remember going to the meetings, looking forward to them, not only for the networking opportunities, but knowing I was going to reconnect with many business associates that had become good friends.

My early involvement was limited at best. In fact, I am not exactly sure what led them to pick me to represent WAHU at the NAHU Convention in Cleveland, Ohio, but I suspect it could have had something to do with the location of the convention. Whatever that reason was, I know from

that point on my involvement in this organization changed. As they say, there is no such thing as a free lunch (or free trips) and they asked me to join the Board and Programs Committee quickly after the trip to Cleveland. My involvement went from passive participation to active participation. At the time, WAHU had a limited paid staff and needed all the help they could get. I guess it was only fair and appropriate to convert my constructive criticism into constructive action. Again, after what I thought was quietly expressing an opinion, I got involved first-hand in the expansion of WAHU to include four local chapters. Today this is especially heartwarming as I see the involvement of our local chapter leaders, the quality of the programs and the expanded attendance at each of the local venues.

So my recent history with this organization has had me giving my time and encouraging others to give their time for the continuous improvement and success of WAHU. This fall, as state presidency started to loom before me, a very astonishing thing happened—WAHU gave back. A number of career advancement opportunities came to my attention solely through state and national AHU relationships. People that—as we call in the association business, “true believers”—believed in me and were there to help me continue to prosper and succeed. I don’t think I am an isolated case with “getting what you give.” There are many of you that could share stories on how your business relationships have prospered due to your association with WAHU. Not only will I be eternally grateful, I look forward returning the favor if and when called upon. So, when I say WAHU—Benefiting You, know that I say it with complete confidence that you will benefit as I am living it.

This year’s theme “WAHU—Benefiting You” is simple, but yet directly reflects the direction for we’ve set for state board and association for 2005. The goal is that you will continue to view your membership in WAHU as both professionally and personally

We would like to thank our Platinum 2005 corporate sponsors for all their support.



Platinum Sponsors

rewarding and convince your peers that they need to belong. Our commitment to you extends to doing the right things to benefit our industry as well. Our legislative agenda and our work with the OCI are a reflection of that belief. But what is good for the industry must also be balanced with what is reasonable and healthy for the employer and the employee consumer. So WAHU believes strongly in benefiting the consumer too.

On February 16, WAHU’s Day on the Hill will take place in Madison. This is the kickoff to another legislative season. Our physical presence on the hill is the fuel that Legislative Committee needs to fight the fight and/or educate our legislators on the very complex subject of healthcare financing.

So there you have it, by WAHU benefiting our industry and benefiting the consumer, your active participation in WAHU most certainly will benefit you.

*Thank you for your continued support and much success in 2005.*

Katie

**Focus on the Future:  
Reforms to Wisconsin  
Medicaid**

*By Representative Curt Gielow (R-Mequon),  
Chairman, Medicaid Reform Committee, Wisconsin Assembly*

Wisconsin is facing yet another serious fiscal crisis with an estimated \$1.6 billion budget deficit projected for the state in the 2005-'07 biennium. Wisconsin's Medicaid programs account for a significant share of this deficit, perhaps as much as half the total or \$800 million. Dealing with this situation is a challenge that we must meet head-on this legislative session.

Speaker John Gard (R-Peshtigo) shares my concerns about Wisconsin's Medicaid budgetary shortfalls. In response to these concerns, the Assembly leadership created a new Committee on Medicaid Reform, which I have been asked to chair.



Curt Gielow

As the owner and operator of several small businesses myself, I hope to focus on business-like reviews of the mission, effectiveness and efficiency of all of the Medicaid programs.

At the same time, as a former hospital executive, pharmacist and healthcare management consultant, I know that Medicaid policies and funding cause a cost shift that impacts healthcare costs for all of us. As taxpayers we also suffer the consequences of Medicaid programs being used improperly and sometimes fraudulently.

The Medicaid Reform committee will spend the first few months in debriefings with the Department of Health and Family Services and provider and advocacy groups understanding the complexities of the programs, services, funding and mandated obligations. I believe it is important that such a complex and important program be fully understood by all who have a responsibility for public policy reforms.

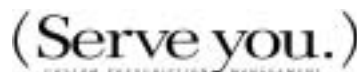
To effectuate this education, the Committee on Medicaid Reform will hold its initial meeting on January 26 with subsequent meetings every two weeks for the foreseeable future.

I invite those of you working in the healthcare field to share your constructive ideas on this subject with Dan Schwartzer or me. Innovation could come from the collective suggestions of many bright minds motivated to help make a difference. Call my office (608) 266-0486 or email Julie Conley at [julie.conley@legis.state.wi.us](mailto:julie.conley@legis.state.wi.us) if you have ideas to contribute.



We would like to thank our Gold and Silver 2005 corporate sponsors for all their support.

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Silver Sponsors



*"Those who are too smart to become involved in politics are punished by being governed by those who are dumber." —Plato*

WAHU's 2005 **Day on the Hill** provides you the opportunity to come to Madison and talk with your legislators as a health insurance professional. When coming together as one large group to speak to our state government about our industry, think of the impact! Won't you join us in defending your livelihood?

The theme from your WAHU President this year is "WAHU—Benefiting You!" This couldn't be more fitting for this year's Legislative Day, as our legislative success in preserving our industry in these very troubling times is completely dependent upon **You!**

**HIGHLIGHTS FOR THIS YEAR'S AGENDA:**

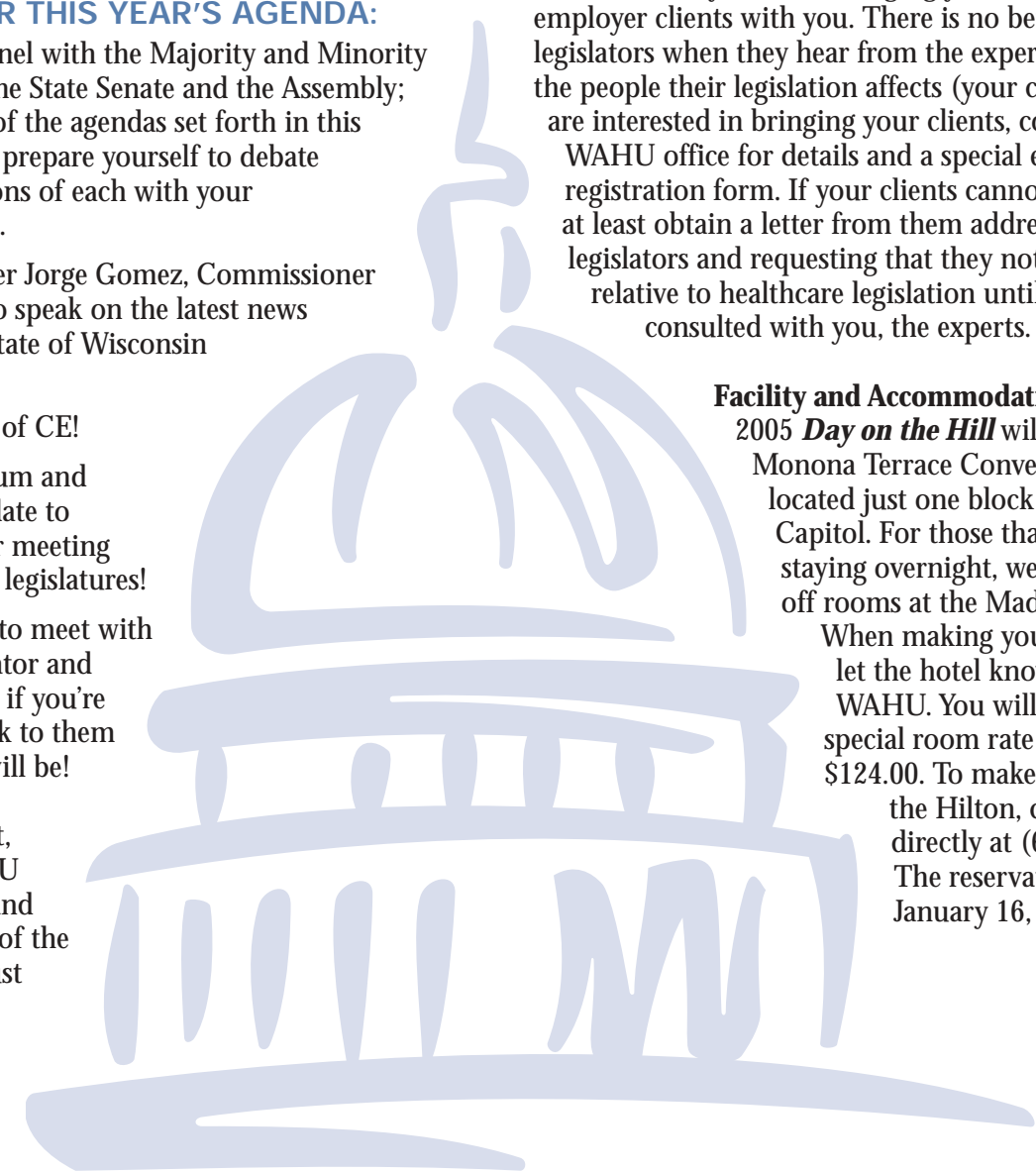
- A legislative panel with the Majority and Minority Leaders from the State Senate and the Assembly; Listen to each of the agendas set forth in this discussion and prepare yourself to debate the pros and cons of each with your state legislators.
- Keynote Speaker Jorge Gomez, Commissioner of Insurance, to speak on the latest news regarding the state of Wisconsin and beyond.
- 2 FREE credits of CE!
- Town Hall Forum and Legislative Update to prepare you for meeting with your state legislatures!
- Appointments to meet with your State Senator and Representative; if you're not there to talk to them imagine who will be!

On Wednesday night, join us for the WAHU member reception, and then welcome some of the very legislators we just met with for our legislative reception.

On Thursday morning, WAHU hosts 4 credits of continuing education. WAHU kicks off the first 2 CE credits with Bob Gregg of Boardman Law Firm, who will be discussing the Benefits Agent Today: Going Beyond "Getting Quotes" Employment Laws that Impact Health and Disability Insurance Administration. Followed by 2 CE credits presented by Dave Huttleston of Huttleston and Associates discussing how high-deductible health plans are priced in comparison with traditional, first-dollar coverage plans. In addition to our exciting agenda, there will be exhibit booths by our platinum corporate sponsors.

As we did last year, we are urging you to bring your employer clients with you. There is no better impact for legislators when they hear from the experts (you) and the people their legislation affects (your clients). If you are interested in bringing your clients, contact the WAHU office for details and a special employer client registration form. If your clients cannot attend, then at least obtain a letter from them addressing the legislators and requesting that they not do anything relative to healthcare legislation until they have consulted with you, the experts.

**Facility and Accommodations:** WAHU's 2005 **Day on the Hill** will be held at the Monona Terrace Convention Center, located just one block from the Capitol. For those that will be staying overnight, we have blocked off rooms at the Madison Hilton. When making your reservation, let the hotel know you are with WAHU. You will receive the special room rate of only \$124.00. To make reservations at the Hilton, contact them directly at (608) 255-5100. The reservation deadline is January 16, 2005.



## SOUTHEASTERN WAHU NEWS



Bob Adams

2005 is here! Everyone starts out at zero—not only in production, but for CE credits as well. Thanks to WAHU CE Days, I and many of our industry brothers and sisters were able to finalize the last biannual requirement and get a start on the new one. Thank you, WAHU and Megan Purtell, for coordinating this service for us.

It is with great anticipation that I take over the helm as President of the Southeastern Chapter. Following Riley Enright, and Jon Rauser before him, challenges me to excel and leave a legacy for the chapter. I am fortunate to have industry and Southeastern Chapter Board veterans to help run the chapter in an efficient and professional fashion.

Tom Witkowski, our Vice President and Program Chair, has been tireless in his efforts over the years to bring quality CE and meeting topics and 2005 will be no different.

Bill Enright, our Legislative Chair, is excited to bring our chapter to the next level in the political arena.

Tim Krull, our chapter Secretary, makes sure our Board meetings stay on task.

Denny O'Brien, our Ex-Officio Member-at-Large, is in the works of planning our chapter golf outing for sometime in June.

We have new blood on the Board as Pat Frisque of Humana has stepped up to the plate to take on the important role of Membership Chair.

Also, I have the luxury of having open lines of communication to our immediate past President, Riley Enright.

Our first chapter meeting will be held on April 15. So, as you drop off your tax returns in the mail you can come and relax for a while with us. Time, location and topic will be announced soon.

I would like to challenge all in our chapter to not only attend, but to also be an active participant in the upcoming Day on the Hill. Be creative, bring some customers and let your legislators hear from those that cast their votes. There is strength in numbers and our voices need to be heard.



In December, the Southeastern Chapter hosts the President Panel: Rebecca Kapustay CEO, President, BlueCross BlueShield of WI; Jim Riordan of WPS; Jay Fulkerson of UnitedHealthcare; and Larry Rambo, CEO, Wisconsin and Michigan Markets for Humana.

By Dan Schwartz



Nearly every political speech during last November's election put our industry on notice. From federal races to state races, Democrat and Republican candidates ran their campaigns on reforms to our healthcare and health insurance systems. With the elections over and candidates now elected officials, the rhetoric is turning into reality. For the 2005–2006 legislative session, our industry is expected to face an onslaught of legislative and regulatory proposals, as well as sweeping reform ideas. **Are we ready? Are you ready?**

The day-to-day duties that actually put food on your table must obviously be your priority, but think for just a minute if legislation limited or prohibited your ability to perform those duties. No, this isn't a message that the sky is falling—Universal Health Care certainly is not going to happen this session or the next. However, small incremental reforms that hamper your ability can be just as dangerous.

Your Association has been gearing up and preparing for this session since the elections. Nationally, NAHU has been hard at work meeting the National Association of Insurance Commissioners, newly elected legislators and with other industry groups. On a state level, our entire Legislative Committee has already met twice in just the last two weeks and Greg Horstman, the Chair of our Legislative Committee, has had nearly half a dozen meetings with myself and even attended a hearing in the Capitol in just the first week of session. Also in that first week of session, I've officially testified on two legislative bills, met with at over a dozen different legislators discussing the upcoming session, met with leadership, had a handful of meetings with other industry groups to discuss legislative strategy, scheduled meetings with the OCI, and we have worked with your President Elect, Jon Rauser, to put together a comprehensive program for Day on the Hill.

The structure for a successful legislative session is in place. All we need now is **YOU!** We need your time, your resources, and most importantly, your expertise in this industry.

We need you to attend Day on the Hill! We need you to call your legislators and tell them you are coming to the Capitol on February 16 to personally meet with them—that you have very important issues you'd like to discuss with them. We need you to attend Day on the Hill on

February 16 and bring your opinions and expertise with you when we discuss our issues in our Town Hall Forum. We need you to bring at least one other person from your office to Day on the Hill, as well as at least one employer client. We need you to be active in our WLS and

WAHUPAC. What is this industry worth to you? The resources you give are really an investment in your future. We need you to contact your legislator after Day on the Hill to continue a dialog with them on our issues. We need you to be an active member of WAHU, and we need you to help spread the load by recruiting other insurance professionals to join our group.

### WHAT TO EXPECT

Your Legislative Committee has developed our proposed 2005–2006 Legislative Agenda. This is a fluid document that reflects the issues we know about and the issues that may come up over the course of the next two years. During our Day on the Hill, we'll concentrate on three or four issues, as it's difficult to cover more issues in the short time you'll spend with your legislators on February 16. It's anticipated you'll be in contact with your legislators on our other issues after Day on the Hill. The full list of issues, as well as the position papers on the issues we will discuss at Day on the Hill will be on our website, and an e-mail will alert you as to when these documents are ready for viewing. Please be sure to review these documents prior to attending February 16.

### WHAT TO LOOK FOR LEGISLATIVELY

While legislative proposals will vary, here's what we are likely to see in the way of incremental reforms.

#### Association Health Plans

From a federal perspective, Association Health Plans (AHPs) will be one of the first major health policy issues debated in Washington. While still a private market initiative, we have had tremendous concern as to the un-level playing field this will create among existing insurers. This legislation also has the potential to reduce the number of agents needed in marketing and servicing these products.

#### Expansion of Government Programs

As government programs begin to insure more of our state's population, this crowds out consumers in the private sector. This not only threatens our industry, but it costs shifts inequitable reimbursement rates on an already shrinking pool. Last session, we saw proposals that would increase the number of people

...Continued on page 6

in BadgerCare, offer private market employers to buy into the State Employees Plan, offer to allow farmers to buy into the State Employees Plan, and expand eligibility to our Medicaid program. Each of these proposals is a real threat to our industry. These same proposals are likely to pop up this session.

**Mandates**

The expansion of the number of benefit mandates required by the state increase the cost of insurance and make coverage less affordable for more consumers. Each session, we see at least a handful of additional benefit mandates introduced, as well as expansion of existing mandates.

**Compensation Disclosure**

While much of the publicity has been centered on the East coast, the insurance commissioners (through their national association - NAIC) have been meeting for some time drafting model regulation that would require most licensed intermediaries to disclose ALL compensation arrangements with their clients. Although Wisconsin already has some agent disclosure legislation, this would certainly expand our existing requirements.

**Efforts to Defeat Meaningful Legislation**

Both Health Savings Accounts and List Billing are two ideas that would expand coverage and opportunity in the private market system. Both of these ideas were vetoed by the governor last session. In one of the first legislative proposals of the session, an HAS bill was introduced and a hearing already took place. During the hearing, it was evident a much stronger and well managed effort was in place by labor to defeat these proposals again this session.

Defeating proposed legislation is just half the equation. We must also be pro-active and propose and support legislation that will improve our industry.

**Consumer Driven Legislation**

Certainly, both the HSA legislation and List Bill are two ideas we supported in the past and will actively lobby for this session. However, WAHU will discuss the potential expansion of HSA's in government programs, like the State Employees Plan, Medicaid and our state's Health Insurance Risk Sharing Plan. Medicaid reform is necessary and other states are beginning to look at creative ways to completely reform the system.

**Transparency**

As we move towards consumer driven plans, healthcare cost and quality data is essential for consumers. There have been private sector efforts to provide this much-needed data, and we commend these private sector solutions. However, where the industry fails, we must look at other ways to give consumers the proper tools to be wise consumers of healthcare.

As we move into our 2005-2006 Legislative Session, please take the time to read our Capitol Review electronic e-mails. They will contain a tremendous amount of information and calls to action from our Legislative Committee. This will be a key component on how the Committee communicates with membership. **Please also be sure to register for Day on the Hill.**

We would like to thank our 2005 laureate sponsors for all their support.

Laureate Sponsors

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- Frett/Barrington Limited
- Hausmann-Johnson Insurance
- Mortenson, Matzelle & Meldrum
- Schroeder & Associates
- Schwartz & Shea Insurance
- The Rauser Agency

IT IS ONE OF THE MOST IMPORTANT DAYS FOR OUR INDUSTRY.

FOX VALLEY WAHU NEWS



John Wicker

As we start a new and even more successful year for both WAHU and the Fox Valley Chapter, I want to begin by thanking Harry Bortel for his two years of presidential service to the Fox Valley Chapter. I also extend a thank you to the 2005 officers and Board for their continued service: Lori Desorcy (Membership); Jerry Ratajczak (Board); Jim Nelson (Board); Chris Hanson (Secretary); Anita Creswell (Publicity); Don Powell (Legislative); and Harry Bortel (Board). We currently have one open spot on our Board and extend a warm invite to anyone who would like to become more involved.

The most important day of the year is approaching WAHU, that being the Day on the Hill, February 16, 2005. Please make sure to attend and meet with your legislator since they do value our opinion and we are the voice for our industry.

We strive to continue our growth in membership in 2005, bring you valuable and insightful speakers and CE and make the Fox Valley Chapter a great organization. Please become involved and participate in our regional and statewide meetings.

Thank you for the opportunity in 2005

John Wicker, President  
Fox Valley Chapter



In December, the Fox Valley Chapter overlooks Lambeau Field as they earn CE credit!



Dean Hoffman, Sue Brins, Laurie Kohls, and Katie Beals enjoy the Lambeau Field Atrium.

SOUTH CENTRAL WAHU NEWS



Eric Marlow

As we begin 2005, I want to take moment to remind you about some of the things WAHU provides to give you "Bang for the Buck." We have a very strong and active Legislative Committee that has a full agenda ahead of itself. WAHU just wrapped up another successful reporting period of providing top-notch continuing education for its members. NAHU continues to receive growing support and recognition in our nation's capitol. And to top things off, our most important meeting of the year is coming, WAHU's annual Day on the Hill. I urge each of you to attend. I also would like to suggest you drop a quick line to your legislator and let them know you will be at the Capitol on February 16. It would be hard for a legislator to not be available if they received a stack of messages saying several constituents were coming to visit. To find your legislator's e-mail address, use the State legislature's site at [www.legis.state.wi.us](http://www.legis.state.wi.us).

Tentative dates have been set for this year's chapter meetings. The preliminary dates are April 14 and December 8. Your chapter Board of Directors is working to find new and exciting places to hold meetings. More details to come. Finally, our chapter's golf outing is scheduled for Tuesday, June 14, at The Bridges Golf Course in Madison.



Representatives Terese Berceau and Curt Gielow discuss Universal Healthcare Coverage at the South Central Chapter December meeting.

By Greg Horstman

The headlines of New York Attorney General Eliot Spitzer issuing allegations of bid-rigging and collusion by one of the largest insurance brokerage firms, March & McLellan, has brought the practices of insurance professionals into the national and local spotlight.

These allegations also prompted the nation's insurance commissioners (the National Association of Insurance Commissioners - NAIC) to develop model regulation that each state can potentially adopt. Other groups also weighed in on the ethical practices and compensation structure of insurance agents, brokers and consultants, including the National Conference of Insurance Legislators (NCOIL), the media and even the US Senate.

There are several facts that are important to this issue that you should know. First, there is a world of difference between bid-rigging and the manner in which insurance professionals get paid. Any effort to place confusing and false information before a consumer simply for financial gain is not only unethical, but WAHU supports any government effort to cease this practice. Second, Wisconsin has been a leader when it comes to regulating insurance marketing practices. WI Statutes Chapter 628 regulates not only the ethical behavior of insurance marketing intermediaries, but goes even further to regulate the disclosure of some compensation arrangements to the consumer. The model regulation proposed by the NAIC, however, goes much further than what is regulated by Chapter 628. WAHU does not support these additional measures, as they would be a generic reaction to what appears to be a very limited practice occurring in very large brokerage houses. A practice that is not occurring in our state.

The Health Underwriters has taken tremendous steps to educate the NAIC, federal lawmakers and state legislators on not only our existing laws, but the environment of the insurance industry in Wisconsin. We continue to explain to lawmakers that the various manners in which our members get paid are beneficial to consumers, as it promotes competition and a keen awareness of all the options available to consumers today. Our own Day on the Hill will provide YOU with the opportunity to talk with your legislators directly and explain how you get paid and how that is an advantage to your clients.

Additionally, WAHU is working with other agent trade groups to work with the Office of the Commissioner of Insurance (OCI) to get direct clarification of their intent relative to the model regulation adopted by NAIC. As we determine OCI's intent, we will be certain to communicate this with you, our membership.

WAHU is proud of our agents, brokers and consultants, and we are proud of the high level of ethical standards you have taken upon yourself, outside of Chapter 628. It is important that you help WAHU get the RIGHT message to lawmakers about your jobs and compensation. It is also important that you hear directly for Commissioner Gomez on what his agency's plans are relative to any additional broker disclosure. Commissioner Gomez will be addressing our membership at Day on the Hill on February 16. Please be sure to attend to hear what he has to say, and please be sure to visit with your legislators so they are sure to hear what you have to say.

We would like to thank our Bronze 2005 corporate sponsors for all their support.

Bronze Sponsors



EMPLOYEE BENEFIT CONSULTANTS



## CHAIR REPORT



Jon C. Rauser

Why is February 16, 2005, such an important day? Is it because it was the birth date of Edger Bergen, Hugh Beaumont, Sonny Bono, John McEnroe and Ice T? Is it because Fidel Castro seized control of Cuba on this day? Or, because it is one of my favorite 'holidays': "Do A Grouch a Favor Day"?

**NO!** Instead of looking back, February 16, 2005, is an opportunity for **YOU** to *make* history by joining with hundreds of your fellow WAHU members at our annual Day on the Hill.

Madison's Monona Terrace Convention Center is the site of this year's event. Melody Hope (Education Chair) and Megan Purtell (WAHU staff) have arranged two days of Continuing Education and relevant speakers, most notably Commissioner of Insurance Jorge Gomez. And you won't want to miss the Member Reception. *(As I write this report, rooms at The Hilton are booking up fast!)*

It is the legislative visits, however, for just two hours on the afternoon of February 16, where you have the ability to alter the course of history. Do you think I exaggerate? What if 330 WAHU members all showed up carrying a unified message that Wisconsin needs state tax parity with

IRS rules on HSAs? How important would that be in getting this legislation past a stubborn governor's veto pen? And there are other issues equally important to our business. Your Legislative Committee will help brief and rehearse you on the issues—but only you can help us get noticed. You can—no, you **MUST**—make a difference!

There are other dates to put on your WAHU calendar besides February 16, 2005. This year's annual conference is September 14–16, at the beautifully renovated Abbey Resort in Lake Geneva. The details of the program are in the final stages, but suggestions from members are always welcome. Have you heard a truly unique presentation lately? Is there a topic that we ought to address? Please contact Megan Purtell (608) 268-0200 or me (800) 813-1884. This is *your* conference so feel free to give us *your* thoughts. Thank you.

Beyond these two statewide events, local chapters are busily planning spring meetings, summer golf outings and even year-end holiday events. As quickly as the year unfolds, you need to visit the website often as the dates, times and meetings will soon be posted: [www.ewahu.org](http://www.ewahu.org).

Respectfully submitted,

Jon C. Rauser, Resident Grouch  
President Elect/Program Chair

## Public Service

Thank you to all our sponsors and members for your generosity and support. During 2004, we distributed more than \$19,000 to our various charities at both the local and state levels, highlighted in December with more than \$10,000 being shared by our two state charities—Breast Cancer Recovery Foundation and Juvenile Diabetes Foundation! Though we came up just shy of our 2004 annual goal of \$20,000, what a tremendously successful year it was! In addition to

reaching new heights in charitable giving, WAHU established its scholarship fund with the inaugural scholarships awarded in 2005!

*With the success of 2004 behind us, let's continue the momentum and exceed our 2005 goal of \$25,000.*

James G. Krogstad LUTCF, CEBS  
WAHU Treasurer

## NORTH CENTRAL WAHU NEWS

By Don Schultz

Hello from the frozen North Central Chapter. First of all, a few thanks are in order. Thank you, Jack Lucas, for your work as our chapter President last year and for your help in the upcoming year. Thank you to BlueCross BlueShield and the staff at Eau Claire for the use of their office and providing lunch for all attendees at our December meeting. Thank you to those participants in the President's panel. Also thank you to all of you who attended at that very busy time of year.

The North Central Chapter will be having meetings in April and December and a meeting and golf outing in June. The exact dates and locations have not been determined as of yet. Suggestions will be welcomed for locations of these events.

I urge all of the members of the NC to try to make it to Day on the Hill. This is our time to make our presence felt on issues concerning our industry. If you haven't been to a Day on the Hill, try to make it. If you have, thank you and I hope to see you again in Madison.

Don Schultz  
North Central President



The North Central Chapter December meeting at the BlueCross BlueShield of WI Eau Claire office conference room.



**Feeling Our Way**

*By Tim Byrne, WAHU Foundation President*

If I were to summarize the first year of the WAHU Foundation, I would characterize it as “feeling our way.” Granted, we knew what our role was to be—our mission—but as in all things, the “devil is in the details.” We had been created to carry out and find the educational and philanthropic work of WAHU. But how do we best do that, and how do we best make sure we were proceeding at the same pace as the Association—not trying to lead, but never falling behind? As I look back, I’m pleased with where we started, where we are, and where we intend to be. However, there are and will continue to be challenges. We have continued to conduct employer educational forums to co-sponsor with other high visibility professional associates. They have been well received but we will be challenged to keep the subject matter fresh and new. We have started the James Vogel Scholarship programs, but we will be challenged to widen the understanding of what the program is about and encourage more applicants. We have raised and dispensed funds to waiting organizations. Breast Cancer Recovery Foundation and Juvenile Diabetes Research Foundations currently, but will be challenged to make those donations more significant and meaningful. In 2004, I had the privilege of speaking to all four chapters during your local meetings. I informed you then that the day was coming when the Foundation would be contacting you with our hand out. That day is now upon us. Your willingness to fund the Foundations in 2005 and beyond will allow us to proceed with our honorable, worthwhile and lofty goals. We’ll be in touch soon.

**The WAHU Foundation  
2004 James S. Vogel  
Scholarship Winners**

**Cortney Biese**  
*Daughter of Greg Biese*  
WAHU Member Fox Valley

and

**Gina Bortel**  
*Daughter of Harry Bortel*  
WAHU Member Fox Valley

**Cortney Biese** will graduate from Kimberly High School this June. She is still looking at several colleges including Washington University, St. Louis, St. Norbert College, UW-Oshkosh and UW-LaCrosse. Cortney has been very active in school. She participates in three sports: cross country, soccer, and her true love, basketball. he plans to continue playing basketball in college. She has been a volunteer coach and assists with children’s youth liturgies at our church. She is also a musician who has qualified for the State Music Festival as a saxophone soloist and jazz band participant.

**Gina Bortel** attends Notre Dame Academy in Green Bay, WI, where she has received many Academic Honors, including High Honor Roll all four years of high school, member of National Honor Society, National Society of High School Scholars Nominee, elected to “Who’s Who Among American High School Students” and National Honor Roll. Her other school activities include cheerleading, volleyball, active in German club and drama club, serving as an officer, has been in numerous plays at Notre Dame, swing choir member for the last two years, and enjoys playing the piano and singing.

**W**AHU has always been a collaborative effort between agent/brokers and the vendors that agent/brokers represent to clients.

This collaborative effort is seen both at the local and the state level by not only dues that are paid by our corporate sponsors but also the time and energy invested by many of these same sponsors on various boards, committees, and the WAHU Foundation.

This is even more impressive because along with the revamping of the corporate dues structure we also ask these same corporate sponsors to contribute dollars to sponsor events, meetings, golfing, and WAHU Foundation functions throughout the year. Keep in mind that you must be a corporate sponsor to sponsor these activities.

The Corporate Sponsor Committee is currently following up on this year’s dues notice and also in the process of talking to six other vendors to become corporate sponsors.

The corporate sponsor program was changed a year ago by eliminating the two-tier dues cost being charged based on a sponsor’s size to a flat fee based on the level the sponsor decides to participate. For many of our

corporate sponsors this meant a significant increase in the amount of dollars that were paid to WAHU. Remarkably, our corporate sponsors stepped up and paid these extra dollars. Today we have over twenty-five corporate sponsors that are paying dues as a corporate sponsor.

WAHU has also seen this same growth among our laureate sponsors. In 2003, we had only five agencies that paid dues as a WAHU sponsor. Today we have ten agencies.

The reason for this involvement is the realization that we must work together to protect our industry and to maintain our ability to participate in the legislative process. We need to continue to add to this success.

We ask that you ask any vendor you work with if they are a WAHU sponsor and if not, give them this application that is attached to this article. We also ask if you are not a laureate sponsor that your agency considers becoming one. “Our Success is You” was chosen for a reason for 2004 as our motto.

If you have any questions you can call Megan Purtell, Mark Mason, or Tom Williams.

**Check it out! [www.eWAHU.org](http://www.eWAHU.org)**

The Legislative section is packed with information on what is happening on Capitol Hill! All upcoming events are posted. Registration will be available on-line for all WAHU programs and events! Questions and comments are very much welcomed—please contact the WAHU office at (608) 268-0200 or by email at [wahu@ewahu.org](mailto:wahu@ewahu.org).



# New Year, New Resolutions

By Cathy Antonie, Membership Chair

RESOLUTIONS

- **Get our health in order, i.e., exercise, and eat better.**
- **Improve our business plans, i.e., make more money**
- **Create a stronger insurance industry, i.e., increase WAHU membership**

**Our absolute minimum membership goal for 2005 is 600 total members.  
WE NEED YOUR HELP!**

We will continue to ask the insurance carriers for their support, which has been great in the past couple of months.

There is strength in numbers. Just ask the chiropractors who converged on the state capital demanding to keep the current mandate. It worked. We need to protect and preserve our industry, one that provides all of us with great jobs. Through WAHU, we have the power to shape the future of our industry.

Please get the word out about our wonderful organization. Carry a couple of WAHU applications with you at all times, or keep the website address handy, [www.ewahu.org](http://www.ewahu.org). While soliciting new members, remind them of what WAHU does for them, such as continued education, state and federal legislative issues (this is huge, especially if you don't think the government wants to take over the healthcare industry), and enriching sales skills and ideas through constant communications, just to mention a few.

Christy McGuire, Sales Representative of Assurance Employee Benefits, has agreed to help co-chair the WAHU Membership Committee. Thanks Christie.

Thank you and we look forward to exceeding our 2005 membership goal with your help.



Dean M. Hoffman, 2004 WAHU President passing the gavel to Kathryn Beals, 2005 WAHU President.



December State Board Meeting, the passing of the gavel!



Southeastern 2004 President Riley Enright passes the gavel to 2005 President Bob Adams.



South Central 2004 President Kent Schroeder passes the gavel to 2005 President Eric Marlow.



Katie Beals swears in The North Central 2005 Chapter officers.



Fox Valley 2004 President Harry Bortel passes the gavel to 2005 President John Wicker.