

Statement for the

**United States Senate
Select Committee on Aging**

Regarding

**Medicare Advantage Marketing and Sales:
Who Has the Advantage?**

Submitted by



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National Association of Health Underwriters

America's Benefits Specialists

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The National Association of Health Underwriters (NAHU) is the leading professional trade association for health insurance agents and brokers, representing more than 20,000 health insurance producers nationally. Our members service the health insurance policies of millions of Americans and work on a daily basis to help individuals and employers purchase health insurance coverage. We have thousands of members all across the country who specialize in the sale of “senior products,” and we are extremely concerned about ethical sales practices concerning all Medicare-related insurance products, including Medicare Advantage plans.

NAHU is well aware of some recent publicity depicting a few “bad apples” in our industry who have been behaving in what appears to be an unethical manner. However, it is important to note the vast majority of health insurance producers work very hard every day to find quality and appropriate health coverage at the best possible price for millions of employers, individuals and families..

Professional health insurance producers like those who are members of NAHU are bound by a strict Code of Ethics that states they must, “respect my clients' trust in me and to never do anything which would betray their trust or confidence.” NAHU members are of the highest caliber; therefore, it is unfair to label all agents selling Medicare Advantage plans as dishonest because of the outrageous behavior of a few unethical individuals.

NAHU members are committed to education. As a result, our association has spent considerable time, effort and resources educating our membership about the rules concerning Medicare-related product sales, and we will continue to do so. To ensure that NAHU members are equipped with the most up-to-date and accurate information on marketing Medicare plans, during the past year NAHU, along with America's Health Insurance Plans (AHIP), established a four-part education program on Medicare, Medicare Part D and Medicare Advantage. The NAHU/AHIP course teaches the marketing rules and responsibilities of each program and, like all of NAHU's many education programs, it covers and encourages ethical professionalism. This class has been approved for continuing-education credit in more than 40 states, and we are actively promoting the course to both NAHU members and non-members alike.

NAHU is also committed to working with the Centers for Medicare and Medicaid Services (CMS) and individual states on producer education, as we feel that there are a large number of producers out there who may not specialize in Medicare or senior

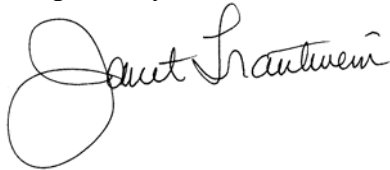
products and who are not NAHU members. To try to reach these producers, NAHU has published a vast amount of Medicare-related product sales information on our website, which is open to the public. We would also be happy to post any additional information on our site that CMS or state departments of insurance develop, as well as link to other sites or reach out to non-member producers for education purposes in collaboration with CMS and state departments of insurance.

While NAHU commends the Committee for taking up this important issue, we hope that in the course of its work the Committee does not undertake any actions that would limit the ability of seniors to access either Medicare Advantage plans or the services of licensed professional health insurance producers. While Medicare Advantage products may not be the right choice for every senior, there are many Medicare beneficiaries who are very happily insured under these plans. It is not surprising that seniors with no supplemental coverage on a fixed income find these plans particularly attractive and that sales have increased over the past year. NAHU feels that is very important that all Americans, including Medicare beneficiaries, have a wide range of health plan choices available to them.

NAHU also thinks it is crucial that all Americans have the ability to use licensed health insurance professionals to help them choose the health plan products that best meet their specific needs. The vast majority of licensed producers who sell Medicare Advantage plans to seniors specialize in this unique market. These professionals spend countless hours advising their clients, answering questions and helping to select the best possible plan options based on their clients' budgets and personal preferences. It would be a disservice to the thousands of high-caliber health insurance producers out there, and their millions of happily insured senior clients, if access to licensed health insurance producers was in any way limited. The actions of a dishonest few should not be interpreted as representative of our entire industry.

Thank you for the opportunity to provide comment on the marketing of Medicare Advantage plans. If you have any questions, or if NAHU can be of further assistance, please do not hesitate to either contact me (703-276-3800 or jtrautwein@nahu.org) or our vice presidents of congressional affairs, Peter Stein (703-276-3801 or pstein@nahu.org) and John Greene (703-276-3807 or jgreene@nahu.org).

Respectfully submitted,

A handwritten signature in black ink that reads "Janet Trautwein". The signature is written in a cursive style and is positioned to the left of a vertical red line.

Janet Trautwein
Executive Vice President and CEO