



# National Association of Health Underwriters

*America's Benefits Specialists*



**FOR IMMEDIATE RELEASE**  
September 5, 2007

**Contact: Kelly Loussedes, Vice President of Public Relations**  
(703)276-3835 or [kloussedes@nahu.org](mailto:kloussedes@nahu.org)  
**Kathryn Weismantel, ChapterHouse, Director of Marketing,** (630) 324-1235 or  
[kweismantel@chapterhouse.com](mailto:kweismantel@chapterhouse.com)

## **Majority of Agents and Brokers Expect Employee Mandates** *“The Future of Brokerage Distribution” Study Results Released*

(Arlington, VA) – The National Association of Health Underwriters (NAHU) and ChapterHouse LLC today released their annual buying trends study. Accelerating market transformation is mandating brokerage and distribution change in unprecedented ways. Fifteen-hundred agents, brokers and carrier representatives from 48 states told us what they see coming and how they are changing in response.

“NAHU members believe significant change is coming to the U.S. health care industry in the form of mandated coverage,” stated Janet Trautwein, NAHU Vice President and CEO. “The 2007 NAHU/ChapterHouse study, ‘The Future of Brokerage Distribution’ suggests that industry dynamics will have a significant impact on brokers’ operations and service offerings. The health benefit landscape, broker role, employer and employee health care needs, buying criteria and level of innovation are expected to be meaningfully different in as little as five years.”

“Taking the political uncertainty at both the state and federal level into consideration, less than a quarter of brokers believe their roles will either cease to exist or migrate to a modified service offering,” explained Michael Main, managing partner, ChapterHouse LLC. “Despite threats to the distribution channel, product and service innovation are only yet emerging in the brokerage community. Those driving innovation are bringing new health and wellness programs to employers as well as a variety of new solutions not offered by other health care players. It appears from the 2007 survey that the future of brokerage distribution will be significantly different than it is today.”

“The results of this study indicate that the private health care industry is strong and determined to continue to provide Americans with the highest quality of care possible, in the most affordable way,” added Trautwein. “With the changes taking place in state legislatures and in Congress, changes in the industry are likely to follow and producers are anticipating this. What agents and consumers are not prepared for is a single-payer health care system. Americans desire and need a privately run system with choices and freedom.”

Key findings of the survey include:

- 68.5% say the U.S. government will mandate employers to provide health care coverage through existing health plans.
- 31% believe the market will be “retail” (consumer decisions), limiting employers’ role in as few as five years.
- 80% indicate significant planned shifts in their business models in response to emerging market dynamics.



## National Association of Health Underwriters

*America's Benefits Specialists*



“While all of us know this is the wave of the future, we must be responsive to this feedback and show that the insurance industry can adapt to a rapidly changing market.” said Trautwein.

The survey of 20,000 NAHU members was conducted by ChapterHouse in April 2007. The geographic distribution was diverse and included brokers from all regions of the country, including both urban and rural markets.

The National Association of Health Underwriters represents over 20,000 health insurance agents, brokers, consultants and professionals. Its members serve employers and individual consumers in accessing and purchasing affordable health insurance and related products. For more information, please contact Kelly Loussedes, vice president of public relations, at 703-276-3835 or [kloussedes@nahu.org](mailto:kloussedes@nahu.org).

ChapterHouse, LLC is a leading healthcare strategy consulting firm. The company is recognized for its expertise in corporate strategy, top line growth and market analysis in all major segments of healthcare. Grounded in strong analytics and staffed by experts in payers, benefits administration, healthcare technology, medical products and provider networks, ChapterHouse provides strategic direction, objective analysis and leading edge market data with the goal of enabling positive change for the industry. Further information can be obtained at [www.chapterhouse.com](http://www.chapterhouse.com) or by calling 630-968-6880.

###