

Orange
County Association of
Health
Underwriters

Volume 14, Issue 3
November/December, 2019



Orange

COUNTY OF ORANGE INSURANCE NEWS



2019 Senior Summit - Event Coverage

Full Coverage and Photos Inside!



Inside this Edition:

- Feature Article: *AB-5/Dynamex: Does it Help or Hurt the California Employer?*
- Annual ACA Small Group Special Enrollment Window
- Compliance Corner—*Legal Briefing; Privacy & Security Updates and Enforcement*
- Legislative Update, *CA Signed Bills*
- Senior Summit Membership News; New Members
- Urgent! Update your PAC Contribution Form (required) today!
- Medicare Spotlight
- New CAHU Podcast; California and Federal Updates
- Upcoming Events: Live From NAHU, BDS and More!
- Schedule of Events

Feature Article:

AB-5/Dynamex:

Does it Help or Hurt the California Employer?

By Dorothy Cociu

Page 5

CAHU LAUNCHES NEW PODCAST SERIES! SEE INSIDE FOR MORE INFORMATION!

**Register now for
Live From NAHU**

**Single Payer, Medicare-
for-All News, Etc.**

November 14, 2019

See ad page 7



Why should you sell Medicare Advantage?

Because 10,000 seniors turn 65 every day.

PARTNER WITH AGA

Field marketing organizations (FMOs) can provide key support to help independent agents grow a successful career.

As an award-winning FMO, AGA offers several benefits for independent agents:

- 50% of your marketing budget paid for*
- Lifetime renewals with most carriers
- Multiple lead programs and community events*
- Specialized administrative departments

CALL US TODAY: 1-844-SALES-UP
or visit us online at: www.appliedga.com

*some restrictions apply



Table of Contents

Thank you for being a part of OCAHU!

<i>What's Inside</i>	<i>Page Number</i>
President's Message	4
Legislative Grass Roots Action	4
Feature Article— AB-5/Dynamex: Does it Hurt or Help California Employers?	5
Medicare Summit 2019 Photos	7
Live From NAHU Meeting Announcement	7
More Medicare Summit Photos	8
OCAHU 4th Quarter Intermission & Holiday Happy Hour	9
OCAHU Board Member Creates CAHU Podcast Series	9
Legislative Update— <i>New! Signed Bills That Have Become Law!</i>	10
COIN Compliance Corner—Legal Brief, HIPAA Privacy & Security Updates	12
Annual ACA Small Group Special Enrollment Window Nov. 15-Dec. 15	13
CAHU PAC Happy Hour Fundraiser	16
Membership News	19
OCAHU PAC Fundraiser Photos	19
Membership News—New Members	19
OCAHU Board & Staff	20
Important Notice to All PAC Contributors	20
Senior Summit— Medicare Made Simple	21
Medicare Spotlight—Fall Quarter	24
The Value of NAHU Membership	24
CAHU-PAC Form—To be resubmitted by all contributors!	25
OCAHU Business Development Summit 2020—Mark Your Calendars	26
Schedule of Events	28

Register Now for

OCAHU 4th Quarter Intermission!

Holiday Happy Hour

JT Schmid's, Tustin (at the District)

Tuesday, Dec. 10, 2019

4:30-7:30 pm

Join us to relieve stress while helping unfortunate kids!

See ad page 9



Making a Difference in People's Lives.

One Member at a Time.

Our association is a local chapter of the National Association of Health Underwriters (NAHU). The role of OCAHU is to promote and encourage the association of professionals in the health insurance field for the purpose of educating, promoting effective legislation, sharing information and advocating fair business practices among our members, the industry and the general public.



President's Message

By: MaryAnna Trutanich

STEWARDSHIP

What is Stewardship? It embodies the responsible planning and management of resources.

The Board of OCAHU and All members of OCAHU are Stewards of our Association.

I'd like to introduce the importance of Stewardship...

The OCAHU Board of Directors is responsible to care for our association on behalf of our members.

Stewardship is the responsibility for all members. I understand we all have day jobs, but I'd like to ask us to reflect on our stewardship of time to our Association. An Association that provides and fights for us with Legislation, Regulatory and Compliance; Education; Advocacy; Credibility; Industry News; Discounts; Promotion and Networking.

I would say one expression of our stewardship is our Business Development Summit on Feb. 28, 2020. BDS is the result of many members and nonmembers giving of their time to support our Association. This is the largest Educational event OCAHU puts on. BDS is a great opportunity for all of us to join together as an Association. The Co-Chairs Paul Roberts and Jo Ann Vernon would welcome your talent. You can reach them at prob-erts@wordandbrown.com or jvernon@primpay.com
My ask is this...

Will you be a good Steward and help the Board put together all the events we host for the year?

- Golf Tournament in April; Chair Juan Lopez
- Vanguard & PAC Networking Events: Chair Grant Moulden & David Ethington
- Women In Business in June; Pat Stiffler

All members are Stewards of the Orange County Association of Health Underwriters.##

Legislative Grass-Roots Action

OCAHU members work hard in grass-root activities, like meetings with our district legislators, on a regular basis. This is part of NAHU's Adopt-a-Legislator program. OCAHU Members have visited three representatives since the last issue of the COIN. If you'd like to get involved and do this sort of grass-roots activity, be part of the OCAHU legislative committee! Contact Dave Benson, OCAHU V.P. Legislation, for more information! Contact information can be found on page 20!



*Top right: Cathy Daugherty, MaryAnna Trutanich, Rep. Harley Ruda, Dave Benson and Dave Duker.
Bottom right: MaryAnna Trutanich, Rep. Lou Correa, Dave Benson and Ryan Dorian.*

Bottom left: MaryAnna Trutanich with Representative Tyler Diep.





Feature Article: AB-5/Dynamex - Does it Hurt or Help California Employers?

By: Dorothy M. Cociu, RHU, REBC, GBA, RPA,

Vice President Communications & Public Affairs, OCAHU

We've been talking about the Dynamex ruling (April 30, 2018; Dynamex Operations West v Superior Court of Los Angeles), which adopted the "ABC Test" for worker classifications, followed by the signing of Assembly Bill 5 (AB-5), for nearly two years, and it just keeps getting worse for certain California businesses.

The Dynamex case started with the presumption that a worker who performs services for the hiring entity is an employee for the purposes of claims for wages and benefits. In this supreme court case, the ABC test was adopted to distinguish between an independent contractor and an employee.

Assembly Bill 5 (AB-5) was signed into law by California Governor Gavin Newsome on September 18, 2019. The purpose of AB 5 was to codify the Dynamex decision and to clarify the decision's application to state law. Basically, under AB-5, the burden of proof that someone is an independent contractor falls onto the hiring employer entity... Otherwise, the person doing the work will be an employee. To prove the independent contractor status, the employer must apply the ABC Test.

According to Marilyn Monahan, attorney at Monahan Law Office, *"Dynamex changed the test that employers must apply to distinguish between common law employees and independent contractors for wage order purposes. The Court referred to the new 3-factor test as the ABC test. Prior to Dynamex, California had relied on an 11-factor test outlined in the case of S.G. Borello & Sons, Inc. v. Department of Industrial Relations, 48 Cal. 3d 341 (1989)."* These tests are not at all easy to understand or to apply for many California employers faced with this new challenge.

I asked Marilyn about the Dynamex controversy. *"[Yes], Dynamex generated controversy. The legislature responded by introducing several bills to address the application (or not) of the ABC test, including AB-5. AB-5 also generated controversy, but it was passed by the legislature and signed by the governor this summer. AB-5 codifies Dynamex (in Labor Code section 2750.3). The bill also expands the scope of Dynamex (because the new standard applies to more than wage orders), but at the same time it includes a number of exceptions (because lobbyists*

took an active interest in the bill)."

AB-5 has far-reaching applications. According to Marilyn Monahan, it *"applies to work performed on or after January 1, 2020. However, the bill also states that it is declaratory of existing law, which means that the Dynamex test is currently in effect with regard to wage orders."*

I'm sure most of you have been hearing about the ABC test, and many affected by this ruling have been seeking assistance from their law firms for months or years. For those that may not be as familiar, let's break down the ABC test...

"Under the ABC test," stated Marilyn Monahan, "a person providing labor or services for remuneration shall be considered an employee rather than an independent contractor unless the hiring entity demonstrates that all of the following conditions are satisfied:

(A) The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.

(B) The person performs work that is outside the usual course of the hiring entity's business.

(C) The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.

It is anticipated that this test will result in more individuals being classified as employees than was the case under the Borello test."

If any exceptions apply during the ABC test (and often many will, as it's almost impossible to pass the B test), then we move to the Borello test. (S.G. Borello & Sons, Inc. v. Department of Industrial Relations, 1989, 48 Cal. 3d 341).

The most important factor is whether the person to whom service is rendered (employer), has control or the right to

Continued on page 6

control the worker. This could apply to both the control the work performed and the manner and means in which the work is performed.

It is under the Borello Test that professional services, such as insurance agents, were exempted from Dynamex.

“AB- 5 includes a number of exceptions,” stated Marilyn Monahan. “One of those exceptions applies to insurance licenses. The bill states that the Borello test, rather than the Dynamex standard, applies to a ‘person or organization who is licensed by the Department of Insurance pursuant to Chapter 5 (commencing with Section 1621), Chapter 6 (commencing with Section 1760), or Chapter 8 (commencing with Section 1831) of Part 2 of Division 1 of the Insurance Code.’”

AB-5 author Assembly Member Lorena Gonzalez has stated “the exceptions we have included will ensure that independent contractors in professions where people have the ability to negotiate for themselves, such as doctors, lawyers, insurance agents, real estate agents, accountants, hairstylists and freelance journalists – are protected.”

Borello has 11 additional factors to be considered, which are too lengthy for this article to discuss. *What a lot of employers want to know is, why isn't their industry considered an exception, when so many others are?* In particular, the trucking industry seems to be among the hardest hit, and they have the most to lose.

I sat down with one of my long-term friends and business associates, Kathryn Kingston, who works as the Controller for a trucking organization in Chino, to ask her about how this new law affects them.

“Kathryn,” I asked, “for years, many employers like yourselves have hired independent contractors for many positions, and now you’re faced with many of these independent contractors becoming employees. Can you tell us the financial impact, in general, that this will have on your firm?” Kathryn replied: *“The financial impact is huge when you consider the workers compensation costs, health insurance and employer taxes, just for starters.”*

In our conversation, I asked her about the time and money they spent on specialists, like law firms and consultants, to work with her firm on this. How time consuming was/is this, I asked her, and did this time take away from your primary business operations? *“This is a big distraction to executives. The trucking industry has spent millions of dollars over the last couple of years fighting for the rights of the independ-*

ent contractor. All the time spent attending meetings and weekly phone conferences is time that is taken away from growing our business.”

Overnight, her trucking firm will go from a small to a mid-size employer, which brings on many more complexities with benefits, the ACA, and more. I asked her what her biggest concerns were with these issues? “Compliance.” Kathryn stated, matter-of-factly. *“As a small employer, we have not had to learn or comply with various laws. Now we have to learn a whole new set of complex laws and try to be compliant. Since California does their own thing, it is often hard to keep track of whose law to be compliant with, Federal or State.”*

The state legislature seems to think that all independent contractors will love this law and applaud it’s existence. So, as an employer being affected with this, I asked her how she thinks the independent contractors feel about this law? Do they want to be employees or do they prefer to be independent? *“Many contractors don’t want to lose their rights to set their own schedules and to be able to pick and choose which loads they want,” Kathryn stated. “California law is taking those rights away by making them employees.”*

Of course, many employers are feeling these things. I asked Kathryn if she could tell our state legislators in a few sentences what she thinks of this law, what would she tell them? *“Stop taking away the rights of the independent contractor. Stop targeting the trucking industry,” she said emphatically. “Why does this law have carve-outs for industries like Doctors, Architects, Financial Advisors but they refused to carve out trucking? This is a discriminatory law in that it doesn’t apply to everyone, only who California government chooses.”*

It’s not just the trucking industry, of course. As you may have heard, *UBER and Lyft have put together \$70 million to fight this law*, because their drivers want to be independent, and their prices would of course skyrocket if they had to hire all drivers as employees. In addition, many drivers drive for both UBER and Lyft. *They are taking this to the ballot in 2020, so stay tuned! ##*

Author’s Note: I’d like to thank Marilyn Monahan and Kathryn Kingston for their assistance with this article.

Editor’s Note: This article is edited from it’s original length due to space available for this publication.

To hear more about AB-5, please listen to the Podcast on California Legislative Updates, October, 2019, now available at <http://anchor.fm/cahu>, or cahu.org/our-issues.

Medicare Summit 2019 Photos



For more
Senior Summit
photos, see
page 8



OCAHU
Orange County Association
of Health Underwriters

OCAHU invites you to an exclusive webinar—*Medicare for All and the 2020 Elections*

Join NAHU CEO Janet Trautwein for this session of Live from NAHU that will explore current proposals in Congress and by presidential candidates to implement a single-payer government-run healthcare system. Janet will highlight the nuances of these proposals and how they could affect coverage for individual, employer-based and existing government-run plans. The session will also explore key considerations of comparative healthcare systems, such as financing, pricing structures, role of voluntary/supplemental insurance, specialty care and wait times.



**LIVE
FROM
NAHU**

THURSDAY, NOVEMBER 14, 2019

8:30 to 10 AM @ Word & Brown

1-hr CE | Course: 383264 · Must Attend in Person to Receive Credit

For more information and to register visit oca-hu.org

More Medicare Summit Photos 2019



For more senior summit news,
see article on page 21, and
photos on page 7



Oscar is now available to small businesses in Orange County.

- ✓ **Our rates are more competitive than ever.** We lowered our small group rates by about 6% this quarter across LA and OC.
- ✓ **Our provider network is strong** - with over 14,000 physicians anchored by top hospitals like Hoag and Mission.
- ✓ **We offer the lowest price Gold plan on CaliforniaChoice for OC.** And we're the only non-HMO Platinum plan available across LA and OC.
- ✓ **All Oscar plans get all the Oscar perks.** Access to free and unlimited Doctor on Call, Step Tracking, and dedicated Concierge team.



Contact Rachael Jones at rachael@hioscar.com
or visit hioscar.com to learn more.

oscar

*Select plans, including some HSA-compatible plans in other states, may charge a copay for Doctor on Call service. Not available in DE, AR, ID. Please see plan details at hioscar.com for more information.





4TH QUARTER INTERMISSION

December 10, 2019

JT Schmid's | 2415 Park Avenue | Tustin

Registration: 4:30 PM | OCAHU Business & Cocktail Hour: 5 PM

Member or First Time Guest: \$35 | Non-Member: \$50

(Includes: Appetizer Station and 1 Drink Ticket)

It's that time of year again. You're burning the midnight oil during open enrollment and tension is high! TAKE A BREAK...

Join us at OCAHU's Holiday Event - 4th Quarter Intermission!

It will be a festive occasion with great food and great friends, at the same time supporting kids less fortunate to receive holiday gifts.

Bring a toy, book, iTunes or Amazon Gift Card (valued at \$10+), and receive a \$10 credit toward our Business Development Summit registration fee at the February 28th event.

Make this holiday a memorable one for a child!

Register at ocaahu.org

OCAHU V.P. of Communications & Public Affairs Creates New Podcast Series for CAHU!

OCAHU is proud to announce that our Vice President, Communications & Public Affairs, Dorothy Cociu, has created a podcast series for CAHU! Dorothy, who hosts her own podcast series, asked CAHU in early September if she could interview Faith Borges, CAHU Lobbyist from Cal Advocates, and Jim Morrison, CAHU Vice President, Legislation, during the CAHU annual conference on legislative issues. The prior day, Dorothy had interviewed Janet Trautwein on Federal issues, including Medicare-for-All, Single Payer, and more. She had previously discussed this with OCAHU President MaryAnn Trutanich and received her advance approval and good wishes, and was given the OK by CAHU President Bruce Benton.

Dorothy and her firm have since set up a separate podcast page for CAHU's use, with a separate platform, so that they could add to their podcast page as they desire, have control over their own content and control their own editing going forward. These podcasts are designed to assist CAHU Members share important information with employer clients.

The new podcast series is now available with both interviews at <http://anchor.fm/cahu> and is pushed to Spotify and other podcast platforms. **As of the time of this printing, the following podcasts, hosted by Dorothy and edited/produced by her and her company's team, were available for listening. Page content will be modified by CAHU going forward. You can also find them online at cahu.org/our-issues.** Below is a summary of the first two podcasts! Share with your clients!

California State Legislative Update- A Discussion on Health Plan, Health Insurance and Related State Legislation for Employers & Consumers—Host Dorothy Cociu interviews Faith Borges, Cal-Advocates and Jim Morrison, V.P. of Legislation of the California Association of Health Underwriters, who update employers and consumers on state issues such as AB-5 (Independent Contractor Law), Surprise Billing Bills and other state legislation.

Federal Legislative Update: Medicare-for-All, Single Payer Options, Health Plan Terminology and Presidential Candidate Health Plan Comparisons for Employers & Consumers - Host Dorothy Cociu interviews Janet Trautwein, CEO of the National Association of Health Underwriters, who provides a frank outlook on the current state of health care reform in Washington. Janet provides a mini glossary of terms, the differences between Universal Coverage, Universal Access to Health Care, Medicare-for-All, other single payer proposals, public options, and a look at Presidential Candidates and what health plans would look like if elected.



Legislative Update—New CA Bills Signed Into Law!

By David Benson, VP of Legislation

When the legislative session ended in September, the Governor had one month to sign or veto hundreds of bills that were sent to his desk. ***This article will focus on the CAHU top priority bills that the Legislative Committee tracked throughout the year that have been signed into law.*** The Legislative Committee is made up of the CAHU VP of Legislation, local chapter leg chairs, and the CAHU Lobbyist.

AB 5 (Dynamex Case) determined if a worker would be considered a W-2 employee or an independent contractor. To be considered an independent contractor, the hiring entity must demonstrate that the person is free from the control and direction of the hiring entity in connection with the performance of the work, the person performs work that is outside the usual course of the hiring entity's business, and the person is customarily engaged in an independently established trade, occupation, or business.

CAHU's Lobbyist Faith Lane Borges was able to get insurance agents removed from this bill.

Lyft and Uber drivers were not excluded from the bill and plan to put an initiative on the ballot in 2020 to overturn this legislation.

AB 290 puts reasonable requirements on financially interested third-parties who wish to pay patients' premiums. It also allows commercial health plans to reimburse services at the Medicare rate for a patient who is billed by a financially-interested provider. This bill protects patient choice and care while preventing providers from running a scam that drives up health care costs for all Californians.

AB 414 Health Care Coverage: minimum essential coverage.

This bill imposes a penalty on individuals who fail to maintain minimum essential coverage, known as the "Individual Shared Responsibility Penalty," almost identical to the penalty in federal law. The \$695 penalty must be included as part the individual's tax return, and applies for any month in which an individual or their dependent fails to maintain minimum essential coverage.

The bill's author wants the Franchise Tax Board to collect and report specific data to the Legislature regarding the effect of its penalty.

AB 528 will, on and after January 1, 2021, require a dispensing pharmacy, clinic, or other dispenser to report the information required by the CURES database no more than one working day after a controlled substance is released to a patient or a patient's representative, except as specified.

This is the Legislature's coordinated effort to curb opioid addiction and abuse and decrease the associated high costs of prescription drugs on premiums.

AB 651 requires a health care service plan, contract or a health insurance policy issued, amended, or renewed on or after January 1, 2020 to provide that ***if an enrollee, insured, or subscriber (individual) receives covered services from a noncontracting air ambulance provider, the individual shall pay no more than the same cost sharing the individual would pay for the same covered services received from a contracting air ambulance provider, referred to as the in-network cost-sharing amount.***

AB 731 Current law requires a health care service plan or health insurer offering individual or small group plans to file specified information, including total earned premiums and total incurred claims for each contract or policy form, with the appropriate department at least 120 days before implementing a rate change. This bill expands those requirements to large group plans beginning July 1, 2020.

AB 824 discourages "pay-for-delay" agreements by drug manufacturers that prevent cost-effective generic drugs from entering the market. ***This bill brings competition from generic manufacturers into the market as intended by current patent laws and open up timely access to more affordable medications for consumers.***

AB 929 This bill requires a health plan that is seeking certification as a qualified Covered CA health plan to submit specified data to the Exchange Board. This bill requires the board, if it requires or has previously required a qualified health plan to report on cost reduction efforts, quality improvements, or disparity reductions, to make public plan-specific data on cost reduction efforts, quality improvements, and disparity reductions.

AB 1309 Health care coverage: enrollment periods

This signed bill will ***require a health care service plan and a health insurer, for policy years beginning on or after January 1, 2020 to provide a special enrollment period to allow individuals to enroll in individual health benefit plans through the Exchange from December 16 of the preceding calendar year to January 31 of the benefit year inclusive.*** The bill will also additionally require, with respect to individual health benefit plans offered outside of the Exchange, that ***the annual open enrollment period for policy years beginning on or after January 1, 2020,***

Continued on page 23

SPECIAL THANKS TO OUR ANNUAL CORPORATE SPONSORS!

Platinum Level



Gold Level



Silver Level



Bronze Level



COIN COMPLIANCE CORNER

What Agents and Your Clients Need to Know!



This is a summary of some recent developments of interest to consultants and employers:

Federal: Highlights

Section 4980H Employer Shared Responsibility Penalties: The IRS has announced that the section 4980H penalties for calendar year 2020 are \$2,570 for the 4980H(a) penalty and

\$3,860 for the 4980H(b) penalty. A year-over-year comparison:

	2015	2016	2017	2018	2019	2020
4980 H(a):	\$2,080	\$2,160	\$2,260	\$2,320	\$2,500	\$2,570
4980 H(b):	\$3,120	\$3,240	\$3,390	\$3,480	\$3,750	\$3,860

Section 4980H Affordability Percentage: As a reminder, the IRS has announced the section 4980H affordability percentage for 2020 (IRS Rev. Proc. 2019-29). A year-over-year comparison:

YEAR	2015	2016	2017	2018	2019	2020
PER-CENTAGE	9.56 %	9.66 %	9.69 %	9.56 %	9.86 %	9.78 %

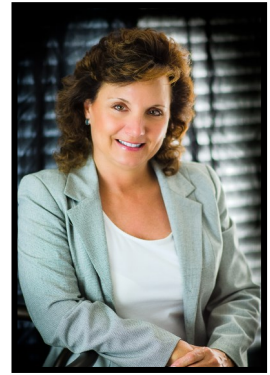
California: Highlights

Flexible Spending Accounts: Notices (A.B. 1554; Chapter 195): On August 30, 2019, Governor Newsom signed AB 1554. The bill adds a new section to the California Labor Code, which will take effect January 1, 2020. Under the bill, an employee who participates in a flexible spending account, including but not limited to a health flexible spending account, dependent care flexible spending account, or adoption assistance program, must receive two notices of any deadline to withdraw funds by the end of the plan year. The two notices must be in two different forms, one of which may be electronic.

The new section 2810.7 of the Labor Code will read:

(a) An employer shall notify an employee who partici-

HIPAA Privacy & Security Updates—From Dorothy Cociu, COIN Editor and HIPAA Privacy & Security Consultant & Trainer



There were some HIPAA Privacy & Security settlements since the last issue, and I'll be updating you on the NIST/HHS/OCR annual Safeguarding Health Information: Building Assurance Through HIPAA Security conference in Washington, DC October 16 & 17, 2019. I was of course in attendance.

In the most recent case, OCR imposed a **\$2.5 million civil monetary Penalty (CMP) against Jackson Health System** for HIPAA violations, security and breach notification rules between 2013 and 2016. JHS is a nonprofit academic medical system based in Miami, Florida, which operates six major hospitals, a network of urgent care centers, multiple primary care and specialty care centers, long-term care nursing facilities, and corrections health services clinics. JHS provides health services to approximately 650,000 patients annually, and employs about 12,000 individuals.

On August 22, 2013, JHS submitted a breach report to OCR stating that it's Health Management Department had lost paper records containing the PHI of 756 patients in January, 2013. JHS's internal investigation determined that an additional three boxes of patient records were also lost in December, 2012; however, JHS did not report the additional loss or the increased number of individuals affected to 1,436, until June, 2016.

In July, 2015, OCR initiated an investigation following a media report that disclosed the PHI of a JHS patient. A reporter had shared a photograph of a JHS operating room screen containing the patient's medical information on social media. JHS subsequently determined that two employees had accessed this patient's electronic medical record without a job-related purpose.

On February 19, 2016, JHS submitted a breach report to OCR reporting had been selling patient PHI. The employee had inappropriately accessed over 24,000 patients' records since 2011.

Continued on page 14

Continued on Page 18



Annual ACA Small Group Special Enrollment Window (SPEW): Nov 15 – Dec 15

By: Paul Roberts, VP Professional Development

dow (SOEW), where eligible small groups may enroll in coverage without having to meet standard employer-contribution and/or employee-participation ratios.

That annual SOEW is fast approaching, and occurs November 15-December 15, for eligible employers to enroll their employees in coverage effective January 1, 2020.

Background

The SOEW is included in a part of the ACA called the “guaranteed issuance of coverage in the individual and group market.” It stipulates, “each health insurer that offers health insurance coverage in the individual or group market in the state must accept every employer and individual in the state that applies for such coverage.”

Guaranteed issuance of coverage can only be offered during (special) open enrollment periods, and plans can only be offered to applicants who live in, work in, or reside in the plans’ service area(s).

Participation and Contribution Requirements

In California and other states, carriers can decline to issue group health coverage if fewer than 70% of employees enroll in coverage. Some carriers have even tighter participation requirements.

Furthermore, rules require employers to contribute a certain percentage of premium costs for all employees in order to attain group health coverage.

While many employers want to offer coverage to employees, they can be denied because they struggle to meet participation and/or contribution requirements. Employers cannot force workers to enroll in coverage unless the employer pays 100% of the employees’ premiums, which many businesses cannot afford to do. Even with moderate to generous employer contributions, many employers find young and lower-income employees waiving coverage. This was particularly evident this year, in 2019, when the ACA’s federal non-compliance penalty under the Individual Mandate was reduced to \$0.00.

The ACA’s annual SOEW is designed to solve these participation and contribution problems.

U.S. Department of Health & Human Services regulation 147.104(b)(1) says: “In the case of health insurance coverage offered in the small group market, a health insurance issuer may limit the availability of

coverage to an annual enrollment period that begins November 15 and extends through December 15 of each year in the case of a plan sponsor that is unable to comply with a material plan provision relating to employer contribution or group participation rules.”

If you have client groups struggling with participation and/or contribution requirements, you can use the annual Special Open Enrollment Window to enroll them in coverage.

Applicable Large Employer (ALE) Consideration

It’s important to note ALEs with 50+ FTEs are still subject to the ACA’s Employer Shared Responsibility mandate – even when the ALE enrolls in coverage during this special enrollment window without having to meet standard participation and contribution requirements.

The Employer Shared Responsibility mandate requires ALEs to offer affordable health coverage to full-time employees and their dependents to age 26, or face potential non-compliance penalties under IRS Section 4980H. The affordability ratio for plans beginning in January 2020 is 9.78%.

This means, in order to meet the ACA ALE affordability criteria in 2020, a full time employee should not pay more than 9.78% of his or her rate of pay, end-of-year W-2 box 1 income, or of the Federal Poverty Level, on the lowest-cost plan offered by the employer that meets minimum value.

Here to Help

If you’d like to learn more about this SOEW – including related carrier policies, case submission deadlines and other underwriting rules – reach out to your W&B representative, or to me and the WBCompliance team at 866.375.2039 or ComplianceSupport@wordandbrown.com. ##

OCR's investigation revealed that JHS failed to provide timely and accurate breach notification to the Secretary of HHS, conduct enterprise-wide risk analyses, manage identified risks to a reasonable and appropriate level, regularly review information system activity records, and restrict authorization of its workforce members' access to patient ePHI to the minimum necessary to accomplish their job duties.

JHS waived its right to a hearing and did not contest the findings of OCR's Noticed of Proposed Determination. Accordingly, OCR issued a Notice of Final Determination and JHS paid the full civil monetary penalty.

"OCR's investigation revealed a HIPAA compliance program that had been in disarray for a number of years," said OCR Director Roger Sererino. "This hospital system's compliance program failed to detect and stop an employee who stole and sold thousands of patient records; lost patient files without notifying OCR as required by law; and failed to properly secure PHI that was leaked to the media."

SOCIAL MEDIA PENALTY... On another case, reported by HHS/OCR on October 2, 2019, a dental practice, **Elite Dental Associates, Dallas, has agreed to pay \$10,000** to the Office of Civil Rights (OCR) and adopt a corrective action plan to settle potential violations of the HIPAA Privacy Rule. Elite is a privately-owned dental practice providing general, implant, and cosmetic dentistry.

On June 5, 2016, OCR received a complaint from an Elite patient alleging that Elite had responded to a social media review by disclosing the patient's last name and details of the patient's health information. OCR's investigation found that Elite had impermissibly disclosed the PHI of multiple patients in response to patient reviews on the Elite Yelp review page. Additionally, Elite did not have a policy and procedure regarding disclosures of PHI to ensure that its social media interactions protect the PHI of its patients or a Notice of Privacy Practices that complied with the HIPAA Privacy Rule. OCR accepted a substantially reduced settlement amount in consideration of Elite's size, financial circumstances, and cooperation with OCR's investigation.

"Social Media is not the place for providers to discuss a patient's care," said Roger Severino, OCR Director. "Doctors and dentists must think carefully about patient privacy before they respond to online reviews."

In addition to the monetary settlement, Elite will undertake a corrective action plan that includes two years of monitoring by OCR for compliance with the HIPAA rules.

On September 9, 2019, HHS/OCR reported that OCR settled its **first case in HIPAA Right of Access Initiative**. Earlier this year,



EXPERTS IN HSA, FSA, HRA, COBRA, AND COMPLIANCE

Contact
Jeff Strong or Dan Galletto
1.800.617.4729
www.SterlingAdministration.com


OCR announced this initiative promising to vigorously enforce the rights of patients to receive copies of their medical records promptly and without being overcharged.

Bayfront Health St. Petersburg (Bayfront) has paid \$85,000 to OCR and has adopted a corrective action plan to settle potential violation of the right of access provision of HIPAA rules after Bayfront failed to provide a mother timely access to records about her unborn child. Bayfront is a Level II trauma and tertiary care center licensed as a 480-bed hospital with over 550 affiliated physicians.

OCR initiated its investigation based on a complaint from the mother. As a result, Bayfront directly provided the requested health information more than nine months after the initial request. The HIPAA rules require that health care providers provide such records generally with 30 days of the request, and can only charge a reasonable cost-base fee.

In addition to the monetary settlement, Bayfront will under-

Continued on page 15



- ONLINE OR PAPER
- EXPERT UNDERWRITING
- ONSITE SUPPORT
- ENROLLMENT MATERIALS
- MOBILE ID APP
- ROCK-AND-ROLL ATTITUDE

SUPERSTAR

Rock your enrollment and underwriting.

Q4 is about to rock your world. Secure your superstar status in enrollment season with Word & Brown as your backup. Go from quote to enrollment in one click — and speed up time to ID, too. Get ready to turn your clients into groupies.

Word&Brown.

wordandbrown.com

Orange County | 701 South Parker, Suite 8000, Orange, CA 92868 | 800.869.6989

HIPAA Privacy & Security Updates, continued from page 14

take a corrective action plan that includes one year of monitoring by OCR.

As an update from the HIPAA Security conference on Oct. 16 & 17, 2019, it was reported that the percentage of 500+ breaches by type of breach changed significantly, with hacking/IT increasing considerably in the past year, which is no surprise.

From January 1, 2018– December 31, 2018, OCR reported that Hacking/IT was 43% of all breaches, theft and loss 15%, unauthorized use and disclosure 40%, and improper disposal 2%. January 1, 2019—September 30, 2019 shows Hacking/IT increasing from 43% to 61%, and theft and loss decreasing from 15% to 10%, likely because more devices are now encrypted. Unauthorized disclosure went from 40% own to 27%, and im-

proper disposal went down from 2% to 1%.

Looking at locations of the 500+ breaches, Email was 29% for 2018, and increased to 40% for the first 9 months of 2019. Network servers increased from 18% in 2018 to 25% in 2019.

The primary concerns of OCR currently are cybersecurity concerns and trends... This includes ransomware, phishing attacks, remote desktop protocol vulnerabilities, weak authentication (single factor, poor password rules), and access controls (current and former workforce members).

I will provide more information as space permits in the next issue of the COIN! ##

CAHU PAC Happy Hour Fundraiser

Congratulations to Grant Moulden, OCAHU V.P. PAC, for putting together a fun happy hour PAC fundraiser on Monday, October 21 at the Classic Q in Newport Beach.

Fun was had by all, and a little MNF watching (and Star Wars trailer watching at half-tie) was a plus! Over 30 OCAHU members and guests attended the event, and all had smiles on their faces.

Winners of the PAC raffles were Diana Miller , who won Rams tickets, and Pat Stiffer won Chargers tickets.

Special thanks to our event sponsors:

LISI, (\$500 donation)

Oscar \$100 donation)

Infinisource (\$100 contribution)

These donations allowed OCAHU to raise additional funds for CAHU PAC!

See photos page 19!

DO YOU HAVE A TRUSTED PBM PARTNER WITH THE VISION & INSIGHT TO HELP YOU NAVIGATE A CLEAR PATH TO SUCCESS?



At Confidio, we guide you to a balanced pharmacy program that minimizes drug spend and maximizes patient outcomes. We optimize the value of pharmacy benefits through advanced data analytics and deep insider expertise.

Our approach is powerful, proven – and trusted.



502 Washington Avenue, Suite 450
Towson, MD 21204
443-767-7200 confidio.com



The Modern HSA Company

- ✓ Concierge Service
- ✓ 100% Paperless
- ✓ Payroll Sync



- ✓ Effortless Bulk Transfers
- ✓ One Simple Fee
- ✓ HSA Experts

See Why We Are The #1 Rated HSA

To learn more, schedule a demo

David Drzymkowski
Regional Director Business Development
david.drzymkowski@livelyme.com

Helping your clients save money has never been easier!

Learn more about Beam
at beam.broker/OCAHU



BSM-0130-2019



GREAT NEWS! CAHU PODCAST SERIES RELEASED!

Designed to allow CAHU members to share with their office staffs, employer clients and consumers!

Check out CAHU's new Podcast Series at <http://anchor.fm/cahu> and cahu.org/our-issues.

The first two podcasts were released at the time of this printing:

California State Legislative Update- A Discussion on Health Plan, Health Insurance and Related State Legislation for Employers & Consumers (Dorothy Cociu interviews Faith Borges & Jim Morrison), and **Federal Legislative Update: Medicare-for-All, Single Payer Options, Health Plan Terminology and Presidential Candidate Health Plan Comparisons for Employers & Consumers** (Dorothy Cociu interviews Janet Trautwein, CEO of NAHU).

Thanks to Our OCAHU Platinum Sponsors!



pates in a flexible spending account, including, but not limited to, a dependent care flexible spending account, a health flexible spending account, or adoption assistance flexible spending account, of any deadline to withdraw funds before the end of the plan year. Notice shall be by two different forms, one of which may be electronic.

(b) Notices made pursuant to subdivision (a) may include, but are not limited to the following:

- (1) Electronic mail communication.
- (2) Telephone communication.
- (3) Text message notification.
- (4) Postal mail notification.
- (5) In-person notification.

Sexual Harassment Training: Delay of S.B. 1343 (S.B. 778; Chapter 215): In 2018, the legislature passed S.B. 1343, which expanded the state's mandate to provide employees with sexual harassment training. This year, through S.B. 778, the legislature delayed those expanded sexual harassment training deadlines for smaller employers and non-supervisory employees from January 1, 2020 to January 1, 2021. S.B. 778 also clarifies that an employer who provided this training and education to an employee in 2019 is not required to provide refresher training and education again until two years thereafter. The bill was an urgency measure which took effect immediately.

Elections: Vote by Mail Ballots (A.B. 17; Chapter 223): A.B. 17 prohibits an employer from requiring or requesting that an employee bring the employee's vote by mail ballot to work or cast their vote by mail ballot at work. The bill does not prohibit an employer from encouraging an employee to vote. The bill makes a violation of this prohibition subject to a civil fine of up to \$10,000 per election.

Living Organ Donation: Extended Leave (A.B. 1223; Chapter 316): Under current law, an employer must grant a leave of absence, not exceeding 30 business days in a one-year period, to an employee who is an organ donor. A.B. 1223 provides that an employer shall grant an additional period of unpaid leave, which shall not exceed 30 business days in a one-year period. In addition, a life or disability insurance policy, or a long-term care insurance policy, shall not deny coverage, in-

Continued on page 22



EXPERTS IN HSA, FSA, HRA, COBRA, AND COMPLIANCE

Contact

Jeff Strong or Dan Galletto

1.800.617.4729

www.SterlingAdministration.com

Visit our Facebook Page for hundreds of photos from our various events held throughout the years! Don't forget to Like & Follow for up-to-date notifications.



www.facebook.com/OCAHU

**Thanks Again to our OCAHU
Corporate Platinum Sponsors!**



**KAISER
PERMANENTE. thrive**

Membership News

New Members From Senior Summit!

OCAHU is proud to announce the list of new members who signed up during Senior Summit!

Welcome New Members!

Doreen Dunn
Stephanie Frisch
Gale Gajardo
Karen Good
Scott Harrell
Billy Maddox
Elliott Martin
Mohan Martin
Luis Martinez
Flavio Montoro

OCAHU PAC Fundraiser Photos—Classic Q!



Good times were had by all! With over 30 OCAHU members in attendance, money was raised for CAHU-PAC!

Thank You OCAHU Sponsors!!!

Platinum: AGA, Kaiser Permanente

Gold: Beam Dental, Word & Brown

Silver: OSCAR, Lively, Monarch Health Care

Bronze: Sterling Administration, Confido

OCAHU Board of Directors and Staff 2019-2020

Contact Information

PRESIDENT

MaryAnna Trutanich
Kaiser Permanente
maryann.m.trutanich@kp.org

PRESIDENT-ELECT

Jo Ann Vernon
PrimePay
jvernon@primepay.com

IMMEDIATE PAST-PRESIDENT

Ryan Dorigan
AGA
rdorigan@appliedga.com

VP of COMMUNICATIONS & PUBLIC AFFAIRS

Dorothy Cociu, RHU, REBC
Advanced Benefit Consulting
dmcociu@advancedbenefitconsulting.com

VP of FINANCE & GOLF CHAIR

Juan Lopez
Colonial Life / AGA
juan.lopez1@me.com

VP of LEGISLATION

David Benson, LUTCF
DCB Insurance Services
david@dcbins.com

VP of MEMBERSHIP

John Evangelista, LPRT
Colonial Life
john.evangelista@coloniallifesales.com

VP of POLITICAL ACTION

Grant Moulden
LISI
gmoulden@lisibroker.com

VP of PROFESSIONAL DEVELOPMENT

Paul Roberts, BBA
Word & Brown
proberts@wordandbrown.com

EXECUTIVE DIRECTOR

Gail James Clarke
Gail James Association Management
orangecountyahu@yahoo.com

GENERAL BOARD MEMBERS

AWARD/HISTORIAN

Sarah Knapp
Colonial Life
sarah.knapp@coloniallifesales.com

MEMBER RETENTION

Kandi Brennan
Filice Insurance
kandi@filice.com

MEMBER RETENTION

Lizette Weinstein *Filice Insurance*
lizette@filice.com

PUBLIC SERVICE / WIB CHAIR

Patricia Stiffler, LPRT
Options in Insurance
keystonepatty@aol.com

SENIOR SUMMIT

Maggie Stedt, CSA, LPRT
Stedt Insurance Services
stedtins@cox.net

SOCIAL MEDIA

Brett Buettner
Buettner Ins. Agency
brett@biabenefits.com

SPONSORSHIP

John Austin
CHOICE Administrators
jaustin@choiceadmin.com

VANGUARD

David Ethington
Integrity Advisors
david@integrity-advisors.com

Note to all CAHU-PAC Contributors!

CAHU has recently changed administrators for our PAC, and in order to better streamline our processes, we need EVERYONE to update their PAC information.

Please go online at CAHU.org to update your PAC account online, or update the ACH form. You can also make a copy of the paper form, which can be found on page 25 of this issue, complete and mail to CAHU today!

With the 2020 elections coming up, CAHU PAC wants to keep you as informed and connected as possible to the issues around healthcare. Your PAC contributions means that we are able to reach out and edu-cate as many people in the Capitol as possible, and stay on top of critical, relevant issues!

To support CAHU-PAC or HUPAC, visit OCAHU.org, CAHU.org or NAHU.org, download a one-time or monthly contribution form, or contact OCAHU's Vice President, Political Action, Grant Molden at 714 425-7277, or email him at gmoulden@lisibroker.com

Please Support CAHU PAC and HUPAC today!



Sixth Annual Senior Summit

Medicare Made Simple – A Clearer Vision for 2020

Maggie Stedt, C.S.A., L.P.R.T. Medicare Chair

The Sixth Annual Senior Summit from August 27th through the 29th held at Pechanga Resort and Casino in Temecula CA was the largest ever in attendance with 968 agents, company representatives, Field Marketing and General Agents, representatives from NAHU, CAHU, HHS, physician groups and many others! Attendees enjoyed more company certifications, product trainings and certified education classes than ever before. And the Exhibit Hall was open for two days. A total of 11 CE course hours were filed for the event. We welcomed 25 new members who signed up to join NAHU and one of our three chapters plus LAAHU.

This has become the largest Medicare-focused event in the country for the agents and others to meet, share ideas, learn about new products and services and certify for the following year. From our first event over nine years ago it has grown and has led the way for over 30 Medicare-focused meetings and summits that are being held by AHU chapters across the country this year!

The pre-Summit activities began on Tuesday with a Golf Tournament at the Journey Golf Course. 88 golfers played the challenging course and enjoyed a happy hour and buffet with some outstanding awards and prizes. Kudos to our Golf Chairs Ron Chock and Juan Lopez and all the event sponsors! We are looking forward to an even bigger field and event next year. They even raised funds for the Wounded Warriors!

On Wednesday, our opening day, attendees enjoyed a smooth check-in lead by Dawn Carroll and Gail James Clark with our outstanding volunteers. Yes, this year there was coffee and breakfast!

Our meeting started with an overview of the Summit by the Co-chairs of the event, Ricky Haisha (SDAHU), Maggie Stedt (OCAHU) and Yolanda Webb (IEAHU). NAHU President Pat Griffey welcomed the summit attendees and shared NAHU's mission for Medicare. Our first speaker of the day was Nicholas Uehlecke, Advisor from the U.S. Department of Health and Human Services speaking about Health and Human Services in 2020. It was timely to have Nick in attendance, as he was able to hear our agents' concerns with the challenging changes to the Medicare.gov website and the problems it presents to

agents and the seniors. Plus, he, John Greene and Bob Tretter from NAHU were able to meet and speak with agents to address key issues and concerns.

After our general session, our attendees enjoyed either a face-to-face certification with SCAN or learned about Humana's Programs for Veterans. At our luncheon, we were given California and Washington Updates from Jim Morrison, CAHU VP Legislation and John Greene, NAHU Vice President of Congressional Affairs.

At the conclusion of lunch, the Exhibit Hall opened up with 74 exhibitors. Our attendees could select one of six breakouts followed by a second set of six in the next hour. Topics included "Medicare Enrollments," "Vertical Integration and Value Based Health Care," "Where Medicare is Heading," "How to Successfully Sell MAPD Plans," "Group Benefits vs. Medicare Benefit," "Part D What You Need to Know to Assist Beneficiaries"; "Planning for AEP", "Medicare Trends", "Commission Protection," "Lifesecure: Chase the Nickel, Forget the Dime," "Rethinking Retirement in California," "and "Think Bigger! Grow Your Business in 2020".

Many thanks to our presenters: Yolanda York, Craig Tylor, Robert Bzryski, Gale Gajardo, David Garcia, Brad Miles, Neil Booth, Ryan Dorigan, Phil Calhoun, Hal Stiffler, Isabel Sanchez, Mike Dysart and Cameron Greenlaw. Attendees could also complete their face-to-face certification with Aetna and learn about Blue Shield Product Launch and Blue Shield Promise.

Wednesday concluded with a Welcome Reception held in the Exhibit Hall.

On Thursday we gathered again to hear Brad Miles' two-hour CE class on "Using Your Medicare Toolbox." Certifications and product trainings were conducted by Brand New Day, Humana, WellCare, United HealthCare, and Anthem Blue Cross. There were also five breakout sessions as well. Thank you to our afternoon breakout presenters; Peter Blasi, William Hepsher, Lisa Ramsey, Stan Israel, Ryan Dori-

Continued on page 22

crease the premium rate, or otherwise discriminate solely because someone was an organ donor.

Minimum Wage: On January 1, 2020, the minimum wage in California will increase to \$12/hour for employers with 25 employees or less, and to \$13/hour for employers with 26 or more employees. Employers should also check the rules in the municipalities in which they operate, since many municipalities have adopted their own minimum wage rules. Please also remember that an increase in the minimum wage may impact an employer's section 4980H affordability calculations for the 2020 plan year.

Municipalities: Highlights

San Francisco: Health Care Security Ordinance (HCSO): The HCSO requires "covered employers" to spend a specific amount, each month, on "health care services" for "covered employees" working in San Francisco. The amount that must be spent—the "health care expenditure rate"—adjusts each year. San Francisco's Office of Labor Standards Enforcement (OLSE) has released the expenditure rates for 2020:

Employer Size	Number of Workers	2019 Expenditure Rate	2020 Expenditure Rate
Large	All employers w/ 100+ workers	\$2.93 per hour payable	\$3.08 per hour payable
Medium	Businesses w/ 20-99 workers Nonprofits w/ 50-99 workers	\$1.95 per hour payable	\$2.05 per hour payable
Small	Businesses w/ 0-19 workers Nonprofits w/ 0-49 workers	Exempt	Exempt

Employees who qualify as "managerial, supervisory, or confidential" employees (all defined terms) and who also earn at least the following annual or hourly rate for the year are exempt from the HCSO:

Year	Annual Salary	Hourly Salary
2019	\$100,796	\$48.46
2020	\$104,761	\$50.37

Employers should also watch for an updated 2020 HCSO poster for the workplace, and mark **April 30th** on their calendar, which is the deadline to file the annual HCSO reporting form with the OLSE.

Editor's Note: Marilyn Monahan can be contacted at Marilyn A. Monahan Law Office, 4712 Admiralty Way, #349, Marina del Rey, California 90292; (310) 989-0993 or email her at marlyn@monahanlawoffice.com.

##

Senior Summit, continued from page 21

gan and Lisa Rehburg. Topics included "Best Practices for the Experienced Agent," "Policy and Politics Impacting RX Costs," "Let's Talk about MediCal", "Traditional vs Hybrid LTC," "Life Insurance Settlements," and, "The AGA Advantage."

Attendees enjoyed lunch with our Exhibitors.

The last General Session was a Medicare Supplement TED Talk with Blue Shield, United American, Anthem Blue Cross and AARP/UnitedHealthcare. One of the topics that were explored included the changes in the plans for 2020.

The day concluded with closing statements, recognition of our new members, prizes, exhibitors raffle prizes and the awarding for the grand prize.

This event would not be the success it is without our sponsors who make this event possible! **A big appreciation to our Palladium Sponsor Applied General Agency, our Platinum Sponsor Blue Shield of CA, and our Gold Sponsors Humana and Warner Pacific.**

A big thank to our OCAHU members who volunteered and spent countless hours on the event. Special thanks to Mary Ann Trutanich who served as our Executive Committee manager, Juan Lopez as our treasurer and John Evangelista who led the membership effort. And, of course Gail James Clark and Dawn Carroll our directors extraordinaire!!! Ricky, Yolanda and I couldn't have done this without them!

Mark your calendars to **save the dates in 2020 for September 1st to 3rd** for our Seventh Annual Senior Summit and Golf Tournament. Plan to join us for this great event!

##

extend from November 1 of the preceding calendar year to January 31 of the benefit year, inclusive. This bill specifies February 1 as the effective date of coverage for enrollment in an individual health benefit plan that occurs from December 16 to January 31, inclusive.

AB 1803 This bill *limits the amount a health carrier may require a beneficiary to pay at the point of sale for a covered prescription to the lowest available cost, whether it is the applicable cost-sharing amount or the retail price. It also required the amount paid for a prescription to be applied to the beneficiary's deductible and out-of-pocket maximum if the beneficiary opts to pay the cash price.*

This would give pharmacies an additional year to update their administrative systems to comply with the pharmacy law that was signed by Gov. Brown in August, 2018.

SB 129 requires existing annual health plan and insurer enrollment

reporting to include enrollment data for products sold inside and outside of Covered California, any other business lines, and multiple employer welfare arrangements. The bill also requires the California Department of Insurance and the Department of Managed Health Care to publicly report annual enrollment data no later than April 15th of each year.

SB 260 requires Covered California to enroll an individual in the lowest cost silver plan or another plan, as specified, upon receiving the individual's electronic account from a county, or upon receiving information from another insurance affordability program, as specified.

There are issues with the agent of origin. The bill's author has not specified if they intend to recognize the original enrollment entity.

SB 407 Current law authorizes a health plan or health insurer with the prior approval of the Department of Managed Health Care or the Insurance Commissioner, respectively, to offer a Medicare supplement contract or policy with new or innovative benefits. This bill will exclude outpatient prescription drug benefits as a new or inno-

vative benefit.

SB 639 This bill enacts a number of protections for patients whose health care providers arrange credit in order to pay for medical services. These protections include preventing health care providers from processing deferred interest credit applications for patients; requiring treatment plans to show medically-appropriate alternatives that are covered by Medi-Cal; requiring patients, rather than health care providers, to fill out applications for medical credit; preventing patients from applying for medical credit in the treatment area without their consent; prohibiting medical credit cards from being charged more than 30 days before treatment; and simplifying the text of notices that must be provided to patients before advancing them medical credit. ##

25 years of delivering care

At Monarch HealthCare®, our priority is to ensure a healthier tomorrow for your clients. From our extensive physician network and specialized patient programs to our personalized care and efficient referral process, you can recommend us with confidence.

- Responsive teams to support you
- Prompt referrals for your clients
- More than 2,500 PCPs and specialists
- Large network of hospitals in Orange County and Long Beach
- Many major commercial, Covered California and Medicare Advantage plans

Come visit us at our table and learn more about what Monarch can do for you and your clients.

For more information about Monarch HealthCare or to speak with a marketing specialist, call Monarch at **1-844-814-3760** (TTY 711, Mon.–Fri., 8:30 a.m.–5:00 p.m.).



Monarch HealthCare is part of OptumCare®, a leading health care organization.



Medicare Spotlight Fall Quarter; "The Good, The Bad and The Ugly!"

" 'U 'o , #o', Onku "

All Medicare plan focused agents are deep into open enrollment! This year is especially challenging as the Centers for Medicare & Medicaid Services (CMS) has completely revised the plan and drug plan finder on www.medicare.gov website. They have brought the design and management of the site in-house and introduced the new plan finder on October 1st. The revised site is very difficult to use by both the agent and the beneficiary. To fully use the site, the beneficiary must establish a mymedicare account with their Medicare number, birthdate Part A effective date and set up a user ID and password. They can then see all their claims to-date and look at other plans and prescription drugs.

The challenge to us as agents is the difficulty in creating a true comparison and a complete analysis of the drug costs. We can see the prescription drug data that has been input in the last 10 years but must reenter it to review the 2020 costs! The site does not calculate the expected drug costs for the year, and does not show if the drug is subject to step therapy or preauthorization restrictions. Plans are listed by premium costs not the actual cost to the beneficiary. We also cannot compare plans side-by-side.

Janet Trautwein, CEO of NAHU and John Greene, NAHU's VP of Government Affairs has been leading the charge with NAHU Medicare Advisory Committee and the FMO Advisory Board. NAHU is joining in a plan of action with the US Department of Health and Human Services (HHS). Visits have also been held with the US House Ways and Means Committee and key Congressional Representatives to address this issue. Please refer to the weekly NAHU Washington Report for updates and watch for special messages from NAHU!

NAHU is working with HHS in requesting that CMS establish a special open enrollment period for stand-alone Part D plans in first quarter of 2020 and reinstating the prior Plan Finder for use during this Annual Open Enrollment.

At the CA state level, the Governor did sign AB 407 for Medicare Supplement Coverage that will require that the Medicare Supplement plans offering the additional benefits such vision and hearing showing them as a separate cost and to provide the benefits as a rider to the Medicare Supplement Plans. The bill also excluded Part D coverage from being offered as a rider to a Medicare Supplement Plan. In addition, the Annual Open Enrollment for Medicare Supplements (Birthday Rule) will be ex-

tended from 30 days to 60 days annually. More information will be forth coming on this regarding the effective dates of this legislative action and implementation by the various carriers. ##

Have you updated your PAC Contribution Form yet? If not, make a copy of the form on page 25 and mail it to CAHU PAC today!



WHAT IS THE
ANNUAL VALUE
OF NAHU MEMBERSHIP?



Not a member? Please join now!

**Contact John Evangelista at (949) 452-92019,
or by email at
john.evangelista@coloniallifesales.com.**



California Association of Health Underwriters Political Action Committee
 2520 Venture Oaks Way, Ste 150
 Sacramento, CA 95833
 FPPC # 892177

CAHU PAC CONTRIBUTOR COMMITMENT FORM

LAST NAME FIRST NAME MIDDLE

OCCUPATION (Required for FPPC reporting purposes)

EMPLOYER (if self employed, name of business; Required for FPPC reporting purposes)

WORK ADDRESS (Please provide street address only, no P.O. Boxes) ☐ Check if address for Credit Card

CITY, STATE, ZIP PHONE FAX

HOME ADDRESS (Please provide street address only, no P.O. Boxes) ☐ Check if address for Credit Card

CITY, STATE, ZIP PHONE FAX

CONTACT EMAIL ADDRESS LOCAL CHAPTER

PRECIOUS GEM STONE CONTRIBUTION LEVELS

Levels	Annual	Monthly Minimum	Diamond Levels	Annual	Monthly Minimum
Ruby	\$250 - \$499	\$21/month	One Star	\$1,000 - \$1,999	\$85/month
Emerald	\$500 - \$719	\$42/month	Two Star	\$2,000 - \$2,999	\$170/month
Sapphire	\$720 - \$999	\$60/month	Three Star	\$3,000 - \$3,999	\$250/month
			Four Star	\$4,000 - \$4,999	\$340/month
			Five Star	\$5,000 - \$6,000	\$420/month

NOTE: POLITICAL CONTRIBUTIONS ARE REPORTED TO THE FPPC. YOUR NAME, AS A CONTRIBUTOR, WILL BE A MATTER OF PUBLIC RECORD.

PAYMENT METHOD: (attach check or select method below)

Payment Method	Card or Account #	Exp. Date	Security Code	Monthly Amount	One-Time Contribution
Check Enclosed					\$
Visa/MC/Amex				\$	\$
Auto-checking withdrawal	PLEASE ATTACH A VOIDED CHECK			\$	

Bank Draft / Credit Card Authorization: I (we) hereby authorize the CAHU PAC to initiate debt entries to my (our) checking account and or credit card. Monthly or one-time debits to be made as shown above. Monthly contributions will continue to be drawn until CAHU PAC is notified in writing to cease. I understand that if I should request changes to the amount withdrawn or a cancellation of these charges that it may be 30 days before these changes to become effective.

Signed: _____ Date: _____

Please return this PAC Commitment Form to:
 Mail: CAHU PAC 2520 Venture Oaks Way, Ste 150, Sacramento CA 95833
 FAX: (916) 924-7323 Questions: (800) 322-5934

Revised: 10/2019

Business Development Summit

Today's Vision: possible vision success
Tomorrow's Reality

Friday, February 28, 2020

DoubleTree by Hilton - Anaheim/Orange County

100 The City Drive ■ Orange 92868

7:30 AM to 4 PM

Cost to Attend: Member: \$40 | Non-Member \$60



SPONSORSHIPS AVAILABLE!

Register at www.ocado.org

- ◆ CE's
- Keynote Speaker
- Exhibits
- Breakfast & Lunch
- Happy Hour
- Prizes

**Have you updated your CAHU
-PAC contribution form yet?**

If not, see page 20 for information, or copy the form on page 25 of this issue and mail to CAHU today!

All current CAHU-PAC members are required to update their enrollment and payment information now!

Thanks for your participation!

Would you like to be more involved?

Contact a board member today! See page 20 for a complete list!

Follow OCAHU on Social Media!



@OrangeCountyAHU



facebook.com/OCAHU



linkedin.com/groups/4100050



Health plans that fit every business.

You may face different business challenges today than you face tomorrow. From traditional copayment plans to plans with cost-sharing arrangements, we'll help you find a solution that fits the needs of your business no matter how they evolve. Learn more at kp.org/choosebetter.

Choose Better. Choose Kaiser Permanente.

 **KAISER PERMANENTE®** | Business



1442 E. Lincoln Ave., PMB 441
Orange, CA 92865-1934

Prsrt Std

US Postage
PAID
Alert Direct
Mail



[linkedin.com/groups/4100050](https://www.linkedin.com/groups/4100050)



facebook.com/OCAHU



[@OrangeCountyAHU](https://twitter.com/OrangeCountyAHU)

Special Thanks to our OCAHU 2019-2020 Platinum Sponsors!



For Additional OCAHU Sponsors, See Page 11!

- THE C.O.I.N. -

Please join us at our events!

SCHEDULE OF EVENTS:

Live From NAHU—Medicare for All and the 2020 Elections, Thursday, November 14, 2019, 8:30 am-10:00 am, Word & Brown, Orange (see page 7 for details); CE Credit offered for in-person attendance.

OCAHU Holiday Happy Hour (NOTE: TIME CHANGE!), December 10, 2019, 4:30-7:30 pm, JT Schmid's Tustin (at the District), 2415 Park Ave, Tustin, CA (see page 9 for details!)

OCAHU Monthly Luncheon, Tuesday, January 14, 2019, Hyatt Regency, Newport Beach, 11 am-1 pm

OCAHU Business Development Summit, Doubletree Hotel, Orange, February 28, 2020, 7:30 am - 4 pm

OCAHU Monthly Luncheon, Tuesday, March 10, 2020, Hyatt Regency, Newport Beach, 11 am-1 pm