VOLUME 18, ISSUE 4 JANUARY/FEBRUARY 2024

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COUNTY OF ORANGE INSURANCE NEWS

Healthcare & Health Insurance Trends & 2024 Outlook

ALSO IN THIS ISSUE:

- ✓ Legal Updates from Marilyn Monahan, ESQ
- ✓ Holiday Cruise Coverage
- ✓ And More!

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Thank you for being a part of CAHIP-OC!

What's Inside

Mark Your Calendars for CAHIP-OC Legislative Updates Meeting January 9, 2024 at East Anaheim Community Center!

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 CAHIP-OC 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: John Evangelista

As we bid farewell to the bustling holiday season and the crescendo of a productive year, we find ourselves at the threshold of a fresh start. The fourth quarter, with its demands and commitments, has been a testament to the dedication and resilience of our Board of Directors and members. Your efforts are truly appreciated. Now, as we step into a new year, it's an opportune moment to refocus our energies and set the stage for even greater success.

Looking ahead, we invite you to *Zoom into the Future* and join us at our Annual Sales Symposium on February 13, 2024 at the Lake Forest Community Center. You will have ample opportunities to network with insurance and technology exhibitors, attend insightful CE course breakout sessions geared towards both the group and Medicare markets, and hear a presentation by our keynote speaker. Come learn about the *InsureTech Revolution* and how you can navigate the future of our industry.

Save the date April 22, 2024 for our 27th Annual Swing "Fore" the Cure Charity Golf Tournament. Join fellow insurance agents and brokers at the Aliso Viejo Country Club for a day of golf, dinner, and a charity auction, benefiting the Cystic Fibrosis Foundation. Your participation will contribute to a worthy cause, and we look forward to your presence at this meaningful event.

CAHIP-OC is continually seeking aspiring leaders within the industry. If you participated in any of our events and wish to contribute by helping organize our upcoming golf tournament or Women in Business event, or if you would like to serve on a committee, please reach out to me. Whether you're enthusiastic about legislation or simply eager to make a positive impact, we welcome your involvement.

As this message is directed towards members, I kindly request that you all continue to renew your CAHIP-OC memberships. As a part of California Agents and Health Insurance Professionals, we serve as ambassadors. It is incumbent upon us to encourage our colleagues in the industry to join and actively engage in our association, recognizing its significance for our collective future. In line with this, I also encourage you to consider making a PAC (Public Action Committee) contribution. These funds play a positive role in benefiting our members, industry, and, ultimately, our livelihoods. This moment is pivotal for the insurance industry, and it is crucial that we unite our efforts.

Just as the dust settles and the weather cools in serene freshness, let us embark on this new beginning with enthusiasm, unity, and a shared commitment to the continued success of CAHIP-OC.

Warm Regards,
John D. Evangelista, LPRT
President, CAHIP-OC

Mark Your Calendars for

CAHIP-OC's

2024 Sales Symposium

Tuesday, February 13, 2024

Lake Forest Community Center

Surging Into the Future

Insure-Tech Revolution

2 CE Tracks (2 units of CE available)

See page 19 for More Details!

Feature Article:

Healthcare & Health Insurance Trends & Outlook For 2024

Reproductive Health, AI, Mergers & Acquisitions, Workforce Talent Challenges, Healthcare and Health Insurance Cost Increases, The Economy, Political Environment, and Single Payer

By: Dorothy Cociu, RHU, REBC, GBA, RPA, LPRT
CAHIP-OC VP of Communications & Public Affairs

As 2023 comes to a close and we welcome in 2024, many of us are wondering what the next year will bring. What new trends will we see? What will affect employers sponsoring health plans most? What will make news headlines most, in both health insurance and the healthcare industry? I certainly have no crystal ball, but I'll share my thoughts, for whatever they are worth, as to what I assume will be the overall trends and outlook for healthcare and health insurance for 2024.

Healthcare & Health Insurance Trends

Abortion & Women's Reproductive Health

Since the overturning of Roe v Wade in the US Supreme Court in Dobbs v Jackson Women's Health in June, 2022, abortions have become much more than a political issue; it's become a medical crisis of sorts. In the last quarter of 2023, we saw an increased amount of press on the abortion and women's reproductive health issues, including the highly publicized Texas Supreme Court ruling on Kate Cox, who sued for an emergency abortion under "Medical Exceptions" in her home state of Texas, where the Supreme Court ruled against her, overturning a lower court's ruling. Ms. Cox's fetus had a severe condition and would have little chance of survival, and not getting the abortion could harm her health and her future futility. The result was that Ms. Cox had to leave her state to get the abortion she needed.

Texas has the most restrictive provisions on abortions. Physicians may face a financial penalty of $100,00 per abortion. Texas Government Code Section 170A.002 states that providers performing an abortion could face 5 to 9 years in prison, with a mandatory revocation of a medical, nursing or pharmacy license.

Although Kansas voters overwhelmingly rejected efforts to eliminate what they called the fundamental right to an abortion from the state constitution in 2022, state lawmakers have continued to pass several harmful abortion restrictions that have and will continue to diminish access to abortion care in that state.

Other states, including Georgia, Montana and South Carolina, are currently in the midst of abortion challenges, to name a few.

This highly controversial political issue has resulted in women like Ms. Cox having to fight for their lives and protect their health, often leaving their states to seek abortion care, and providers are retiring or leaving the states in which they practice, causing an even greater shortage in physicians and students entering into medical school. Sadly, this trend will likely continue throughout 2024 and beyond.

Artificial Intelligence in Healthcare

It rolled in like a freight train and it seems to be gaining even more speed and momentum with every day that passes. Artificial Intelligence is here to stay, and it has definitely had its impact on healthcare.

AI can analyze mountains of data, identify trends and patterns faster and more efficiently than human beings, which could allow healthcare professionals to focus on patients. AI can analyze images and power diagnostic tools that can identify diseases and conditions faster and more accurately than a mere human physician. Providers can now use AI to analyze medical history, past scans and tests to help the physician identify the best treatment options for their patients. AI-powered robots are now assisting in surgeries and medical equipment that may dispense medications. Some also argue that AI can be used to assist in the development of new drugs or treatments for patients because AI can identify patters or screen vast numbers of compounds to

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Mark Your Calendars and Register For *CAHIP-OC's 27th Annual Swing "Fore" The Cure Charity Golf Tournament*

April 22, 2024

Aliso Viejo Country Club

Benefiting The Cystic Fibrosis Foundation

Register Now at www.ocahu.org!

ANNUAL LEGISLATIVE INSURANCE AND BENEFITS UPDATES

2024 OVERVIEW

1-HR CE | PENDING

CE Course Number 390029

JANUARY 9TH

11 AM TO 1 PM

EAST ANAHEIM COMM CTR

SPEAKERS:

- DOROTHY COCIU, RHU
- MARILYN MONAHAN, ESQ
- DAVID BENSON, LUTCF

FOR MORE INFORMATION AND TO REGISTER VISIT: OCAHU.ORG

Join Us For Our Annual Legislative Update Program on January 9, 2024 in Anaheim Hills

East Anaheim Community Center, 8201 E. Santa Ana Canyon Rd, Anaheim Hills, CA; Off the 91 freeway at Weir Canyon

11 am Registration, Lunch, 11:30 Program Announcements, 12:00-1:00 CE Program

CE Now Approved! CE Course Number 390029

This course will discuss recently signed legislation in California related to health/life agents and their employer clients. We will discuss SB 770, which directs the California Department of Health & Human Services to begin discussions with the Federal Government to see if the state can have funds from Medicare and Medicaid (Medi-Cal) redirected into a state fund to finance single payer healthcare in the future, as well as other Single Payer bills. Other California bills signed into law include AB 451 on Insurance License Examinations, AB 716 Ground Medical Transportation, AB 1048 Dental Benefits & Rate Reviews, AB 1241 MediCal Telehealth, and SB 793 Insurance Privacy Notices and Personal Information. In addition, we will cover the following new and changes to existing laws, including updates on the Transparency in Coverage (TiC) Final Rule, Consolidated Appropriations Act, 2021 (CAA), and a roundup on new federal and state developments impacting employee benefits and insurance.

COIN COMPLIANCE CORNER

What Agents and Your Clients Need to Know!

Featuring Legal Briefs By Marilyn Monahan, Monahan Law office and HIPAA Privacy & Security & Related Updates by Dorothy Cociu, CAHIP-OC VP of Communications & Public Affairs

Legal Briefs

This is a summary of some recent developments of interest to consultants and employers—including reminders about some very important deadlines and on-going mandates:

FEDERAL: HIGHLIGHTS

2023 IRS Forms 1094/1095: The deadlines to furnish and file the 2023 Forms 1094/1095 are fast approaching:

- The 2023 Forms 1095-B/C must be furnished to employees no later than **March 1, 2024**. The original deadline was January 31, but the IRS has given everyone a 30-day extension (and the extension is permanent). However, the IRS will not grant any further extensions.
- The 2023 Forms 1094/1095 must be electronically filed with the IRS no later than **April 1, 2024** (the usual deadline would be March 31, but that date falls on a Sunday in 2024). A short 30-day extension is available if a Form 8809 is filed on or before the due date for the Forms 1094/1095.
- The 2023 Forms 1094/1095 must be filed with the IRS no later than February 28, 2024, if the forms are filed on paper. However, there is a new IRS rule, discussed below, limiting who can file on paper with the IRS. The new rule means that all "applicable large employers" (ALEs) will have to file electronically.

These deadlines apply to ALEs filing the C-series forms, as well as insurers and HMOs filing the B-series forms. Remember that small employers that self-fund must also furnish and file the Forms 1094/1095 (such as employers with fewer than 50 employees that offer level funded plans), but these small employers would use the B-series forms.

Electronic Filing with the IRS: As we reminded you in the last issue of the C.O.I.N., there is an important **new** development for 2024 that will impact many smaller ALEs. In the past, employers that filed fewer than 250 Forms 1095-C could file the forms with the IRS on paper. For 2024, that is no longer an option. Under new IRS rules, if you file 10 or more forms with the IRS--in other words, all ALEs--you must file electronically. (And the 10-form threshold applies to 1095-Cs, W-2s, and 1099s combined.)

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HIPAA/HHS/OCR Updates

To update you on recent case settlements and other HIPAA Privacy & Security and related news, I'll start with a note about the Blue Shield Breach. I am not going to detail it in this column because it has not yet come through the notification HHS/OCR system, and because I included details of the breach on page 24.

In other HIPAA Privacy & Security news, on December 7, 2023, HHS' Office for Civil Rights Settled a Landmark Phishing Cyber-Attack Investigation. A Louisiana Medical Group settles after investigation reveals large cybersecurity breach affecting nearly 35,000 patients. In this incident, the U.S. Department of Health and Human Services (HHS), Office for Civil Rights (OCR), announced a settlement with Lafourche Medical Group, a Louisiana medical group specializing in emergency medicine, occupational medicine, and laboratory testing. The settlement resolves an investigation following a phishing attack that affected the electronic protected health information of approximately 34,862 individuals. Phishing is a type of cybersecurity attack used to trick individuals into disclosing sensitive information via electronic communication, such as email, by impersonating a trustworthy source. This marks the first settlement OCR has resolved involving a phishing attack under the Health Insurance Portability and Accountability Act (HIPAA) Rules. HIPAA is the federal law that protects the privacy and security of health information.

"Phishing is the most common way that hackers gain access to health care systems to steal sensitive data and health information," said OCR Director Melanie Fontes Rainer. "It is imperative that the health care industry be vigilant in protecting its systems and sensitive medical records, which includes regular training of staff and consistently monitoring and managing system risk to prevent these attacks. We all have a role to play in keeping our health care system safe and taking preventive steps against phishing attacks."

On May 28, 2021, Lafourche Medical Group filed a breach report with HHS stating that a hacker, through a successful phishing attack on March 30, 2021, gained access to an email

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Compliance Corner - Legal Briefs Continued from page 8

To file the forms electronically, the employer must register with and use the IRS's Affordable Care Act Information Return (AIR) system, and the process takes time. (IRS Publications 5165 and 5164 provide more information, or follow this link: https://www.irs.gov/e-file-providers/affordable-care-act-information-returns-air.) Some employers may want to find a service provider who can take care of the filing for them.

Using the electronic filing system may also require the employer to change how the forms are completed. The formatting directions in the instructions for the Forms 1094/1095 are for the preparation of paper forms. In some instances, employers will have to use different formats when filing electronically. Publication 5165 provides more information on the formats that must be used.

The End of Good Faith Penalty Relief--and More IRS Penalties: Although the IRS used to offer good faith penalty relief if an employer furnished and filed the forms on time, but made mistakes in how they filled them out, that is no longer the case. The IRS reserves the right to penalize employers up to $310 per form if they provide incorrect or incomplete information when filling out the forms. Importantly, this same penalty amount could also apply if the employer fails to furnish and file the forms on time. The late furnishing/filing penalties are lower if the forms are filed by August 1. However, the penalty amount could increase to $630 per form for "intentional disregard" of the requirement to file the returns and furnish them to employees. These penalties could also be waived if a failure was due to "reasonable cause and not willful neglect."

Franchise Tax Board (FTB) Deadlines: To administer California's individual coverage mandate, the FTB needs copies of the Forms 1094/1095, and also requires distribution of the Forms 1095. The good news is that if you have a fully insured plan and the carrier files the Forms 1094/1095-B with the FTB, you do not have to file anything with the FTB. However, if you offer a self-funded plan and there is no carrier to file the 1094/1095-B forms with the FTB, you must file your Forms 1094/1095-C with the FTB, in addition to filing with the IRS. The FTB has the authority to penalize employers that do not file the forms. These are the FTB's deadlines:

- The Forms 1095-B/C must be furnished to employees by **January 31, 2024**. (The FTB has stated that it will not penalize employers for furnishing the forms consistent with IRS deadlines.)
- The Forms 1095-B/C must be filed with the FTB by **March 31, 2024**--although the FTB has announced an extension to **May 31, 2024**.

The forms can be filed with the FTB either electronically or on paper. If you file 250 or more forms, you must file electronically. To file electronically, you must register with the FTB's MEC IR system.

It is also important to know several other jurisdictions have individual coverage mandates--**DC, MA, NJ, RI, and VT**--and most of these also have filing requirements. Employers with employees in these jurisdictions must be familiar with the rules on filing and furnishing the necessary forms.

IRS Cost-of-Living Adjustments: The IRS has announced 2024 cost-of-living adjustments to certain health and welfare plan contribution limits. Among the new numbers announced is the maximum contribution an employee can make to a health flexible spending account (health FSA), which has increased by $150 to **$3,200**. The health FSA carryover limit is **$640** (up from $610). The 2024 limit on transportation fringe benefits is **$315** (up from $300), and for adoption assistance programs it is **$16,810** (up from $15,950).

For an excepted benefit health reimbursement arrangement (EBHRA), the new limit is **$2,100** (up from $1,950), and for a qualified small employer health reimbursement arrangement (QSEHRA), the 2024 limit is **$6,150 ($12,450** for family coverage).

Patient Centered Outcomes Research Institute (PCORI) Fee: Self-funded plans must file IRS Form 720, and pay the applicable PCORI fee, each year on **July 31**. The IRS has announced that the PCORI fee for policy years and plan years that end on or after October 1, 2023, and before October 1, 2024, is **$3.22**. For policy years and plan years that end on or after October 1, 2022, and before October 1, 2023, the PCORI fee is **$3.00** per covered life.

Notice of Exchange: Employers must provide new hires with a notice entitled, "Health Insurance Marketplace Coverage Options and Your Health Coverage" (sometimes referred to as the "Notice of Exchange"), and the Department of Labor (DOL) has issued model notices employers can use to satisfy the legal requirements. The DOL posts two versions of the model notice on its website: one for employers that offer a health plan to some or all of their employees, and one for employers that do not offer a plan. In December, the DOL issued updated versions of the notices; the new versions expire on **December 31, 2026**. The notice must be provided within **14 days** of the employee's start date.

On-Line Price Comparison Tool: Both the Transparency in Coverage (TiC) Final Rule and the Consolidated Appropriations Act, 2021 (CAA) require employer-sponsored group health plans and issuers to provide participants with an on-line price comparison tool. This mandate has a staggered implementation process. The price comparison tool must be available for plan or policy years beginning on or after **January 1, 2023**, with respect to 500 shoppable items and services, and for plan or policy years beginning on or after **January 1, 2024**, with respect to all other covered items and services.

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The No Surprises Act and Limits on Balance Billing: The Independent Dispute Resolution (IDR) process—used to determine how much issuers/plans will pay to out-of-network providers under the No Surprises Act provisions in the CAA—has been challenged in court, and that has resulted in various changes to the program (and a suspension of parts of it). The Departments have been issuing new guidance to address the court challenges. We have two new developments to address on that front, which will be of particular interest to those involved in the administration of self-funded plans.

First, on October 27th, the Departments of Labor, Treasury, and Health and Human Services (the Departments) issued proposed regulations. According to the Departments, "Overall, if finalized, [the proposed regulations] would facilitate improved communications between payers, providers, and certified IDR entities; adjust specific timelines and steps of the Federal IDR process; establish new batching provisions; create more efficiencies; and change the administrative fee structure to improve accessibility of the process."

Second, on November 28th the Departments issued a set of FAQs Part 63 covering two important topics: more input on the IDR process, as well as new guidance on the ACA's rules on culturally and linguistically appropriate services (the ACA changes are discussed under the next heading). So, let's begin with what FAQs Part 63 say about the IDR process.

The FAQs address situations in which items and services from the same provider, group, or facility are "batched" together as part of the same IDR proceeding. A court decision challenged preexisting regulations on the criteria to be applied when deciding whether claims could be batched. The FAQs explain that items and services may be batched together if they are related to the treatment of a similar condition. Further, the FAQs explain that "air ambulance services for a single air ambulance transport, including an air ambulance mileage code and base rate code, may be submitted as a batched dispute, so long as all provisions of the batching regulations are satisfied, in accordance with . . . these FAQs."

ACA: Culturally and Linguistically Appropriate Services: Next, let's talk about what FAQs Part 63 say about the ACA. Under the ACA, non-grandfathered health plans (and carriers offering such coverage) must provide certain services and health plan documents—including SBCs and claims notices—in a "culturally and linguistically appropriate" manner. (An earlier, and different, set of foreign language rules apply to summary plan descriptions.) As an example of how these rules apply, under the ACA, summaries of benefits and coverage (SBCs) must be translated, upon request, when sent to someone in a county if 10 percent or more of the population residing in the county is literate only in the same non-English language. To make this determination, the Departments issued a list of such counties in 2016. They have now updated that list (referred to as CLAS County Data), and the new list differs from the old. For example, some counties that were on the old list are not on the new list (such as Orange and San Diego Counties), and some new languages have been added (the revised list includes Spanish, Traditional Chinese, Navajo, Dutch, Tagalog, Samoan, Carolinian, and Chamorro).

Non-grandfathered group health plans and carriers offering non-grandfathered health insurance coverage are required to provide SBCs as well as claims and appeals notices in a manner that is consistent with the 2023 CLAS Guidance effective for **plan years beginning on or after January 1, 2025**. In the FAQs, the Departments also announced that they intend to update the following documents to reflect the updates in the 2023 CLAS Guidance:

- SBC template and sample completed SBCs in English (with updated taglines in applicable non-English languages);
- Additional translated versions of the SBC and Uniform Glossary; and
- Model notices for internal claims and appeals and external review (with updated taglines in applicable non-English languages).

CALIFORNIA: HIGHLIGHTS

Mandated Benefits

The legislature passed many mandated benefit bills. The governor vetoed many of those bills, but signed 4 of them. Mandated benefit bills only apply to fully insured plans and HMO contracts.

AB 716 – Emergency Ground Medical Transportation: For insurance policies and HMO contracts issued, amended, or renewed on or after **January 1, 2024**, the cost of out-of-network ground ambulance services will be the same as for in-network ambulance services. The bill also places restrictions on balance billing practices.

AB 1048 – Dental Benefits and Rate Review: On or after **January 1, 2025**, a plan covering dental services cannot impose a dental waiting period in a large group plan or a preexisting condition provision in any plan. In addition, rates will be subject to review.

SB 621 – Biosimilar Drugs: Under this bill, effective **January 1, 2024**, an insurer or HMO may require an insured to try an AB-rated generic equivalent, biosimilar drug before covering the equivalent branded prescription drug (the insured may still request a step therapy exception).

AB 94 – Doulas: On or before **January 1, 2025**, insurers and

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Don't Forget Our Upcoming Programs!

January 9, 2024

Annual Legislative Update

February 13, 2024

Annual Sales Symposium

See Pages 7 and 19 For More Information!

Also, Charity Golf Tournament

April 22, 2024!

Legal Brief, Continued From Page 10

HMOs must develop a maternal and infant health equity program that addresses racial disparities in maternal and infant health outcomes through the use of doulas.

Privacy

AB 254 – Confidentiality of Medical Information Act (CMIA): This bill adds "reproductive or sexual health application information" to the definition of "medical information" for purposes of the CMIA, and makes those who provide "reproductive or sexual health digital services" (such as period tracker apps) subject to the law.

AB 1697 – Uniform Transactions Act: Among other changes, permits electronic signatures on CMIA authorization forms, requires an expiration date in the authorization, limits their duration to one year, and requires a copy to be given to the person to whom the medical information pertains.

AB 255 – Health Information: Among other requirements, businesses that electronically store or maintain medical information on the provision of "sensitive services" on behalf of a provider, HMO, pharmaceutical company, or employer must develop capabilities, policies, and procedures, on or before **July 1, 2024**, to enable certain security features.

The Workplace

In 2023, the legislature passed—and the governor signed—many bills that will have a significant impact on the workplace. Employers should consult their employment lawyer or HR advisor on implementation of these new—and often complex—mandates. Brief summaries of some key bills follow:

Minimum Wage: In the last issue of the C.O.I.N., we mentioned that the minimum wage in California is increasing to **$16.00** per hour effective **January 1, 2024**, and that it will be higher than that in certain municipalities. In addition, the governor signed two bills establishing minimum wage limits for certain industries: **SB 525 - Minimum Wage: Health Care Workers** (the minimum wage will increase annually until it reaches $25/hour by 2026, 2028, or 2033 (depending on job category)) and **AB 1228 - Minimum Wage: Fast Food Restaurants** (the minimum wage will increase to $20/hour on **April 1, 2024**).

SB 616 – Paid Sick Leave: Among other changes, effective **January 1, 2024**, this bill expands the amount of paid sick leave employers must provide to employees under the Healthy Workplaces, Healthy Families Act of 2014 (to 40 hours/5 days). Updated FAQs and workplace poster are available: https://www.dir.ca.gov/dlse/ab1522.html

SB 848 – Reproductive Loss Leave: Effective **January 1, 2024**, private employers with 5 or more employees, and state and local government employers, must provide a person employed at least 30 days with up to 5 days of unpaid leave following a "reproductive loss event."

SB 700 and AB 2188 – Cannabis Use: Effective **January 1, 2024**, an employer cannot discriminate against an employee or applicant based on cannabis use "off the job and away from the workplace." (AB 2188 was signed in 2022 but had a delayed effective date.)

AB 699 and AB 1076 – Non-Compete Agreements: Under current California law, non-compete clauses are void, except in limited circumstances. Effective **January 1, 2024**, these two bills enhance existing restrictions by, among other things, prohibiting employers from entering into or trying to enforce a void agreement, and clarifies available remedies. Also, in some cases, employers must notify employees (current and former) by **February 14, 2024**, that certain non-compete provisions they signed are void.

SB 553 – Workplace Violence: By **July 1, 2024**, most employers must establish, implement, and maintain a detailed written Workplace Violence Prevention Plan.

SB 497 – Rebuttable Presumption of Retaliation: Effective **January 1, 2024**, there will be a rebuttable presumption that an adverse employment action taken against an employee within 90 days of a wage or equal pay complaint is retaliation.

SB 594 – Public Prosecution of Labor Code Violations: This bill, effective **January 1, 2024**, expands the government entities that have the authority to enforce alleged violations of the Labor Code.##

Marilyn can be reached at marilyn@monahanlawoffice.com, or by phone at (310) 989-0993.

Don't Miss Marilyn Monahan (and other panelists) at our January 9, 2024 Monthly Meeting

Annual Legislative Update

East Anaheim Community Center

11 am to 1 pm

Earn 1 Hour of CE Credit!

CE Course Number 390029

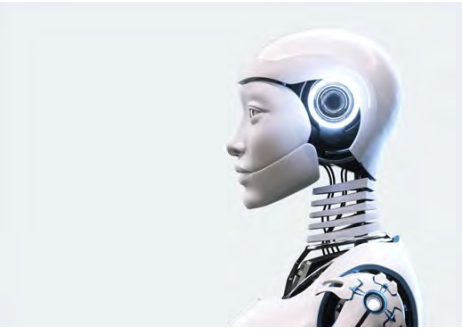
Details Can Be Found on Page 7!

Feature Article, Trends & Outlook for 2024, Continued from Page 5

test against certain diseases or illnesses. By taking away some of the burdensome administrative load of clinicians and practitioners, AI can be used for data entry, medical documentation, patient correspondence and more.

As the cost of healthcare continues to rise, some look at AI as a way to decrease costs in the long run. Keep in mind, however, up-front research & development costs must be taken into consideration, as AI technology comes with a huge price tag. However, AI is definitely a trend that will continue in 2024 and beyond.

AI in Health Insurance



The medical community is not alone in seeing how AI can increase productivity; the health insurance industry is following suit. Aetna, UnitedHealth Group and Cigna have been in the news for their use of AI, and in some cases, not favorably. Many say that most, if not all insurance companies are using some form of AI in claims processing and other tasks. In some legal cases, insurance companies are being accused of using AI to deny high-cost claims, including UnitedHealth Group and Cigna, according to news sources. The California Supreme Court ruled unanimously in favor of CMA, confirming the organization's legal standing to sue Aetna Health for alleged violations of the Unfair Competition Law (UCL). The lawsuit is centered on an Aetna Health policy that targeted the use of out-of-network benefits by its PPO plan members in July, 2023.

Aetna has been using AI since at least 2018, first notably for identifying and investigating instances of fraud, waste and abuse. Later in 2019, they used AI to resolve claims overnight. CVS and Aetna have applied machine learning to identify gaps in care in diabetes care management. In reality, it's industry-wide now, from claim processing to using chat bots for online Q&A and more.

Health insurance agencies, particularly large brokerage houses, have been using AI to perform mundane data analytics and reporting functions to lessen their overall human overhead. However, now with simple and inexpensive AI programs like ChatGPT and others, AI is being used in even smaller agencies, as well as third party administrator operations.

TPAs have been aggressively exploring AI in the claims- payment space for the past couple of years, and I expect that to continue into 2024 and beyond. As a former executive in the self-funded TPA space, I can tell you first-hand that overhead in the TPA business is high and profit margins are low; the use of AI could drastically reduce administrative expenses and therefore increase profits. Organizations like the Self Insurance Institute of America (SIIA) and administrative organizations have been educating its members on the uses of AI, the efficiencies it can create, and the legal dangers of using AI if proper firewalls aren't put in place, for the past few years, and it has literally boomed in the past year.

AI, if used properly, can be a definite cost-saver for the health insurance industry, but there are those that worry about AI taking over jobs in the claims adjudication and overall administrative space.

Generative AI and digital transformation technologies (including cloud computing, data analytics, language processing, virtual health and more) are here to stay. Like it or not, AI in health insurance is expected to continue, and grow in usage and frequency. In many instances, if you don't jump on the AI train you may be left in the dust, or may find yourself not being able to compete with others that are using it. Hence, I see AI not only continuing in health insurance, but growing in popularity and acceptance in 2024 and beyond.

Mergers & Acquisitions

The health insurance industry has been shrinking over the past couple of decades, and will likely continue to do so, due to Mergers & Acquisitions. The big insurance carriers and insurance agencies will continue to grow with mergers and acquisitions, leaving fewer carriers and fewer agencies in the market. Those remaining, I feel, will need to improve efficiencies and perhaps move to a more niche or boutique model to survive.

Hospitals and medical groups have seen a recent surge in M&A activity… It slowed during the COVID pandemic for obvious reasons, but now, it has taken a turn upwards, and is likely to continue for the long-run. Health systems are consolidating to stay competitive, often leaving the mom and pop and independent practitioner providers to struggle.

Besides just merging and acquiring other health care providers or insurance companies, we're seeing them team up with

Continued on page 14

tech companies, telecommunications companies and retail giants to attempt to meet the vastly changing needs and wants of the tech-savvy and more empowered health care consumer. Look at CVS-Aetna joint venture I mentioned above, Amazon Online Pharmacy, Costco offering access to Sesame's $29 virtual office visits, $72 in-person checkups, and $79 therapy visits, and Walmart Health.

On the benefits side, of course we're seeing industry mergers and acquisitions that will force insurance industry personnel to make labor-intensive and costly decisions in the very near future, as we see industry acquisitions which affect our everyday work lives, like the Employee Navigator purchase of Ease and its rollout, which is very likely to cause severe disruption and man-power/retraining costs, as well as administrative burdens, as let's face it, system conversions are *never* easy, and they always take *at least* twice as long as originally predicted.

Like it or not, the health insurance and healthcare industries are rapidly changing, and all of us had better stop ignoring it and start perhaps learning what we can embrace and adapt to. I do see continued increases in Mergers and Acquisitions in 2024 and beyond.

Continued Workforce Talent Recruitment and Retention Challenges

Although improved in 2023 from 2022, the majority of today's healthcare system executives, manufacturing and professional service company executives expect continued workforce talent challenges to continue in 2024. This includes recruitment and retention, as employees and prospective employees continue to jump from job to job, knowing that they may find something better elsewhere, for a bit more money and a lot more remote work.

Employers in 2023 began to accept our new norm; we must offer remote work if we want to attract and retain talent, and we must offer appealing employee benefit packages to find the best candidates, recruit them, and keep them.

Unfortunately for some employees and prospective employees, however, is that with the ever-increasing demand for higher wages, better benefits and more remote work, many employers are now looking at finding ways to outsource or offshore certain job functions… If this trend increases, which I personally feel it may, this could level out the playing field, and give some of the power back to employers, as their employees begin to see some jobs disappear in favor of outsourcing, or using offshore workers at much less expense.

For whatever it's worth, I believe the workforce talent and retention issues will continue to level off in 2024, but I also believe that with continued economic pressures, more and more employers will move toward outsourcing and offshore work, which could mean a decrease in the need to hire, which in the future should reduce the continual rising costs of labor since the COVID-19 pandemic.

The Economy

We are finally beginning to see a decrease in interest rates, which hopefully should improve the overall business climate. The announcement of decreases in mid-December caused a major stock boom, as Wall Street reacted favorably to the Fed's decrease and comments of continued decreases in 2024. Hopefully this will have a market-wide affect on credit cards and debt (we can only hope), and take some stress off of household income and pressures. Best case scenario, 2024 will be the start of a more favorable economy for American consumers, who continue to struggle to pay for mortgage or rent costs and have been experiencing continued increases in groceries, overall household costs and pretty much all services across the board. Let's hope it also translates to lower fuel prices in 2024.

Healthcare and Health Insurance Cost Increases

Anyone reading this article is likely already familiar with the healthcare and health insurance cost increases in late 2023 and carrying into 2024. As we all know, as healthcare costs increase, the cost of health insurance increases.

In July, 2023, Covered California announced its plans and rates for 2024, with a statewide weighted average rate increase of 9.6%. However, they continued to promote the affordability support with ACA subsidies available. They also announced that deductibles were to be eliminated entirely in all three Silver CSR plans, for greater affordability. But someone is paying for the subsidies of course (primarily taxpayers). Certain regions, like Region 1 (Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt Lake, Lassen, Mendocino, Modoc, Nevada, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne and Yub Coun-

Feature Article, Trends & Outlook for 2024, Continued from Page 14

ties), will see an average rate increase of 13.1%. Other Regions with over a 10% increase include Region 3 (Sacramento area) 10.6%, Region 4 (San Francisco) 10.0%, Region 8 (San Mateo) 10.0%, Region 9 (Monterey, Santa Cruz, etc.) 12.1%, Region 11 (Fresno and central CA) 14.7%, Region 13 (Mono, Inyo and Imperial Counties) 15.8%, Region 14 (Kern) 11.6%, and Region 18 (Orange) 11%.

National surveys have indicated an increase in nationwide premiums of 5.4% to 6.4%. But here in California, individual and group health costs are much higher than national averages, with most insurers announcing 7%-15% increases in 2024. Part of the reason for the increases may be related to employers' need to increase or maintain high benefit levels since the COVID pandemic because they felt they needed to offer the same or more to attract and retain quality employees, and therefore they were not willing to decrease benefit levels as they may have in the past.

CalPERS announced un July that their premiums would go up for calendar year 2024 by 10.77%. Their basic (non-Medicare) plans would increase 10.95% overall. HMO's had a 10.5% increase and PPO plans a 12.17 increase.

SHRM reported that they anticipated a median 7% increase in the rise of health care cost in 2024, due to utilization for chronic conditions increasing 22% and catastrophic claims at 19%. In addition, they cited delayed screenings from COVID that resulted or will result in being chronic, ongoing, or catastrophic claims. Prescription drugs and cell and gene therapies were up (16%) and medical provider increases (14%), according to their article by Kathryn Mayer on August 17, 2023.

We all know that shopping benefit costs, introducing certain cost-containment strategies that may maintain benefit levels but continue high-quality plans are the best ways to meet your needs and budget. Pre-tax benefits, High Deductible Health Plans, using an HRA Wrap Plan to maintain quality benefit levels, are just a few of the ways to do that.

Trends in health insurance in 2024 are upward costs of care and insurance, but there are ways to mitigate that with a little creativity.

Political Trends

Political Landscape

2024 means a lot of things to a lot of people…. Most importantly, it's an election year, so as the year progresses, we will see how the Republican Presidential race heats up, as Nikki Haley gains ground on front-runner Former President Trump, and picks up major endorsements ahead of the upcoming early primaries. How Trump's legal situation will play out is yet to be seen, but he seems to maintain a strong lead in the presidential polls. Haley, however, has polled well recently, showing numbers that beat Biden in the fall. The House and Senate will be at play again, of course.

I think most agree that the Abortion and Women's Reproductive Rights will be in the forefront in the 2024 elections.

In California, gas prices are down but still remain high in comparison with the rest of the nation, and we continue to have a Democratic super-majority in both the Assembly, State Senate and every major office held in California. This is important to know as it impacts our industry greatly. Why? Because having a Single Payer healthcare system is in the Democratic Platform in California. For more information on this, I suggest you listen to my podcast with CAHIP Legislative Advocate, Faith Borges, which can be found on the CAHIP website and on several podcast platforms by searching CAHIP, or the original recording on my own Podcast, the Benefits Executive Roundtable, Season 5, Episode 8.

The bottom line is, as long as we have a Democratic Governor, Assembly and State Senate, California will continue to be threatened by Single Payer legislation.

Single Payer

Historically we've had several attempts at Single Payer healthcare. Bernie Sanders, of course, is a strong supporter of Single Payer on the federal level. Here in California, we've had several attempts at Single Payer legislation in Sacramento. You may recall, we've had several Single Payer bills and constitutional amendments being introduced, including AB 1400 and SB 562, as well as proposed (but failed) Assembly Constitutional Amendment 11. These were primarily supported by the California Nurses Association, who has a very strong lobbying force.

This past fall, Governor Newsome signed SB 770, which is a bill aimed at obtaining federal financing for a state-run single pay-

Continued on Page 16

Feature Article, Trends & Outlook for 2024 , Continued from Page 15

er healthcare system in California. For those that may not be as familiar, if a single payer health care legislation were to pass in California, all healthcare as we know it would be gone. There would be no more private plans, no more insurance carriers, no more Kaiser, no more Medicare, no more Medi-Cal, no more Covered California, etc. *The past bills and attempts were unable to progress because they did not have a single payer financing strategy in them. SB 770 starts with that problem, to see if they can gain the financing.*

This law is the first of many steps towards financing a single payer health system in California. It would require the California Department of Health & Human Services to ask for Federal Waivers, which would redirect all federal funds for Medicare and Medicaid (MediCal) into our state budget to help fund a single payer healthcare system.

Even if this were successful, and the department were to convince the Biden Administration (or a Republican administration, should the Presidential Election result in a Republican candidate winning in November) to redirect the funds, they would still need to find another $300 billion per year to finance such a program, which is more than twice the state's annual budget. These additional needed funds would likely come from various forms of new taxes.

In the state of California, there is quite a bit of opposition to single payer… In fact, a few years ago, CAHIP's research and polling showed that 65% opposed a new law establishing single payer healthcare, and 54% strongly opposed it. There are also national polls and voter surveys that oppose single payer. However, here in California, it is still part of the Democratic platform, and therefore it will always be a threat. Keep in mind, as I mentioned, this would end Medicare as we know it, and create a no-cost program for residents, which would likely cause even a greater shortage in providers and healthcare services. As CAHIP Legislative Advocate Faith Borges would say, It would be a "DMV" for healthcare.

It's important that you understand how your legislators feel about Single Payer healthcare. If you haven't asked them, you should, and you need to be prepared to respond to their voting history and overall stance on important issues for employer plan sponsors, agents and health insurance professionals.

So how does 2024 look related to Single Payer healthcare in California? At this stage, it seems to be further off in the future, as it would take many years to get the approvals for funding, etc. I will share my opinion that I do not believe Single Payer will be a factor in 2024, but additional bills could be signed into law once the Department of Health & Human Services measures the landscape in Washington to see if they can be persuaded to redirect the federal funding to California, so the threat could be re-introduced in 2025 or later.

Again, I have no crystal ball, but I base my opinions on my decades of experience in the industry, and my involvement in organizations like CAHIP and SIIA. Bottom line, you can agree with my opinions or not, but you can't fault me (hopefully!) for sharing them, as we begin this new year. I wish you all a very happy, healthy and profitable new year.

Holiday Lights Cruise Photos, December, 2023

##

Register Now for Our

Annual Legislative Update

Insurance & Benefits

2024 Overview

January 9, 2024

Featuring Dorothy Cociu and Marilyn Monahan

1 Hour CE Approved

See Page 7 for More Information!

More Event Photos Page 23, 28 & 31!

California Agents and Health Insurance Professionals Political Action Committee
2520 Venture Oaks Way, Ste 150
Sacramento, CA 95833
FPPC # 892177

CAHIP 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 +	Diamond	$1,000 - $2,499	$84/month +
Emerald	$500 - $719	$42/month +	Double Diamond	$2,500 - $4,999	$209/month +
Sapphire	$720 - $999	$60/month +	Triple Diamond	$5,000+	$417/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 CAHIP 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 CAHIP 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: **CAHIP PAC 2520 Venture Oaks Way, Ste 150, Sacramento CA 95833**
Fax: **(916) 924-7323** • Questions: **(800) 322-5934**

ANNUAL SALES SYMPOSIUM

CAHIP Orange County

SURGING INTO THE FUTURE

It's time for Orange County's most popular and attended event for insurance agents and associated industry professionals!

Event Highlights

- Learn about the **InsureTech Revolution** and how you can navigate the future of our industry.
- Presentation by keynote speaker
- Opportunities to network with insurance and technology exhibitors
- CE Courses Breakout Sessions:
  - Group Track (2 Units)
  - Medicare Track (2 Units)

Tuesday
February 13th
8:00 AM - 3:00 PM

REGISTRATION:

Member: $50 | Non-Member: $70

REGISTER ON OCAHU.ORG

LAKE FOREST COMMUNITY CENTER
100 Civic Center Drive
Lake Forest, CA 92630

THANK YOU SYMPOSIUM SPONSORS

Colonial Life	Word&Brown.	scan	aga	AMWINS	DICKERSON INSURANCE SERVICES AN ALERA GROUP COMPANY
Gold Show	Registration Table	Registration Bag	Photography	Grand Prize	Name Badge

HIPAA Updates, Continued from Page 8

account that contained electronic protected health information. When protected health information is compromised by a cyber-attack breach such as phishing, incredibly sensitive information about an individual's medical records is at risk. The types of sensitive information can include medical diagnoses, frequency of visits to a therapist or other health care professionals, and where an individual seeks medical treatment.

Phishing attacks can result in identity theft, financial loss, discrimination, stigma, mental anguish, negative consequences to the reputation, health, or physical safety of the individual or to others identified in the individual's protected health information. Health care providers, health plans and data clearinghouses regulated by HIPAA are required to file breach reports with HHS. Based on the large breaches reported to OCR this year, over 89 million individuals have been affected by large breaches. In 2022, over 55 million individuals were affected.

OCR's investigation revealed that, prior to the 2021 reported breach, Lafourche Medical Group failed to conduct a risk analysis to identify potential threats or vulnerabilities to electronic protected health information across the organization as required by HIPAA. OCR also discovered that Lafourche Medical Group had no policies or procedures in place to regularly review information system activity to safeguard protected health information against cyberattacks.

As a result, Lafourche Medical Group agreed to pay $480,000 to OCR and to implement a corrective action plan that will be monitored by OCR for two years. Lafourche Medical Group will take the following steps to resolve and comply with:

- Establishing and implementing security measures to reduce security risks and vulnerabilities to electronic protect health information in order to keep patients' protected health information secure;
- Developing, maintaining, and revising written policies and procedures as necessary to comply with the HIPAA Rules; and
- Providing training to all staff members who have access to patients' protected health information on HIPAA policies and procedures.

OCR is committed to enforcing the HIPAA Rules that protect the privacy and security of protected health information. Guidance about the Privacy Rule, Security Rule, and Breach Notification Rules can be found on OCR's website. Additional cybersecurity resources may be found at:

The resolution agreement and corrective action plan may be found at: https://www.hhs.gov/hipaa/for-professionals/compliance-enforcement/agreements/lafourche-medical-group/index.html.

On November 20, 2023, the HHS' Office for Civil Rights Settled HIPAA Investigation of St. Joseph's Medical Center for Disclosure of Patients' Protected Health Information to a News Reporter. *St. Joseph's Medical Center provided a national media outlet access to COVID-19 patients' protected health information.*

The U.S. Department of Health and Human Services (HHS), Office for Civil Rights (OCR) announced a settlement with Saint Joseph's Medical Center for potential violations of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy Rule. Saint Joseph's Medical Center is a nonprofit academic medical center in New York that provides a full range of health care services. The settlement involved the impermissible disclosure of COVID-19 patients' protected health information to a national media outlet.

"When receiving medical care in hospitals and emergency rooms, patients should not have to worry that providers may disclose their health information to the media without their authorization," said OCR Director Melanie Fontes Rainer. "Providers must be vigilant about patient privacy and take necessary steps to protect it and follow the law. The Office for Civil Rights will continue to take enforcement actions that puts patient privacy first."

OCR investigated Saint Joseph's Medical Center after the Associated Press published an article about the medical center's response to the COVID-19 public health emergency, which included photographs and information about the facility's patients. These images were distributed nationally, exposing protected health information including patients' COVID-19 diagnoses, current medical statuses and medical prognoses, vital signs, and treatment plans.

OCR determined that Saint Joseph's Medical Center disclosed three patients' protected health information to the Associated Press without first obtaining written authorization from the patients, therefore potentially violating the HIPAA Privacy Rule. Under the HIPAA Privacy Rule, a covered entity (including a health care provider), may not use or disclose protected health information, except either:

- As the HIPAA Privacy Rule permits or requires; or
- The individual who is the subject of the information (or the individual's personal representative) authorizes in writing.

Therefore, regulated entities cannot disclose a patient's protected health information to the media without first obtaining written authorization from the patient permitting the entity to do so. This includes when health care providers have print or television reporters on the premise.

Saint Joseph's Medical Center paid $80,000 to OCR and agreed to implement a corrective action plan requiring the facility to develop written policies and procedures that comply with the HIPAA Privacy Rule. Saint Joseph's Medical Center also agreed to train its workforce on the revised policies and procedures. Under this agreement, OCR will monitor St.

HIPAA Privacy & Security Updates, Continued From Page 14

Joseph's Medical Center for two years to ensure compliance under the plan and with the law.

The resolution agreement and corrective action plan may be found at:
https://www.hhs.gov/hipaa/for-professionals/compliance-enforcement/agreements/sjmc-ra-cap/index.html

Look for more updates in the next issue of The COIN!
##

Don't Miss CAHIP-OC's Annual Sales Symposium

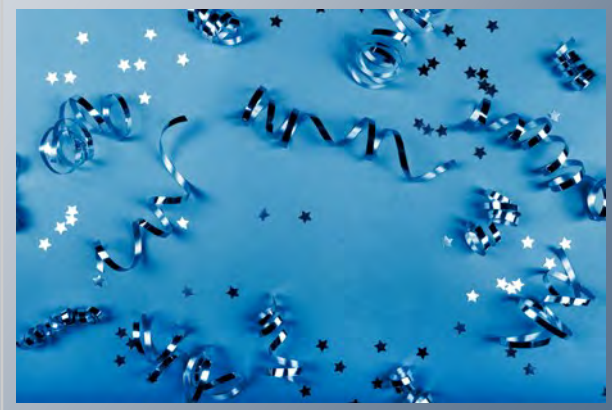
Tuesday, February 13, 2024

Lake Forest Community Center

See page 19 for More Information!

Happy New Year!

From the CAHIP-OC Board of Directors!



CAHIP-OC Board of Directors and Staff 2023-2024

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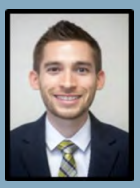

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Why Get Involved in CAHIP-OC?

- *Learn more about our industry*
- *Become a better consultant to help your clients*
- *Network with professionals in all areas*
- *Be a resource to your colleagues*
- *Make an impact with legislation*

Mark Your Calendars for CAHIP-OC's

Swing for a Cure Charity Golf Tournament!

April 22, 2024

Aliso Viejo Country Club

11:30 Shotgun Start

Featuring:

Long Drive Men & Women

Closest to the Pin, Men & Women

Putting Contest

Hold in One Prize

1st, 2nd & 3rd Place Winners!

More Holiday Lights Cruise Photos!

More photos pages 16, 17, 28, 31

MEMBERSHIP NEWS

We'd like to welcome the newest members of CAHIP-OC!

Patricia Denham

Junko Horil

Cristina Selvaggio

Jeff Strong

Michael Wass

Interested in Joining? Many ways to join:

- **Contact our Membership Team:**

  David Ethington
  Integrity Advisors
  Tel: (714) 664-0605
  david@integrity-advisors.com

Agency Memberships Now Available!

Talk to a Board Member

(see page 22 for board roster)

JOIN CAHIP-OC

Blue Shield Breach—November, 2023

In early November, 2023, Blue Shield sent to it's members a notice of data breach, which affects potentially names, addresses, subscriber IDs, group ID numbers, dates of birth, and most importantly, subscriber social security numbers.

According to the breach notice, on September 1, 2023, Blue Shield of California received a notification from a contracted vendor that it was the victim of the recent MOVEIt secure file-transfer tool global data security incident. The vendor impacted by this incident manages vision benefits for many Blue Shield members. Additionally, they receive information related to member eligibility, authorized third parties, and vision claims processing.

According to Blue Shield's notice of data breach, on August 23, 2023, Blue Shield's vendor discovered that an unauthorized third party had accessed information on its MOVEit server by exploiting an unknown vulnerability in the MOVEit's system. According to Blue Shield, the vendor immediately took the server offline, launched an investigation into the incident, engaged a cybersecurity firm and reported the matter to the FBI. It was determined that the unauthorized third party exfiltrated information from the servicer on May 28, 2023 and May 31, 2023.

In response to the data breach, according to Blue Shield, the vendor has rebuilt the MOVEit system in accordance with gold standard build requirements. Before reactivation the system, the vendor undertook a number of technical measures to validate security controls put in place.

Blue Shield's Response

Blue Shield has stated that "To help relieve concerns and restore confidence following this incident, we are offering complimentary credit monitoring and identity restoration services through Kroll. To take advantage of these free credit monitor and identity monitoring services, please follow the instructions in Attachment A. You must enroll by February 9, 2023 to receive these services."

Blue Shield states that it is always advisable to remain vigilant against attempts at identity theft or fraud, which includes carefully reviewing online and financial accounts, credit reports, and Explanation of Benefits (EOBs) from your health insurers for suspicious activity. This is best practice for all individuals. If you identify suspicious activity, you should contact the company that maintains the account, credit report, or EOB. Additional information about how to protect your identify is contained in the Attachment B.

Blue Shield provided a customer service call center dedicated to answer your questions about the breach. You can call 866 983-2632 Monday through Friday from 8 am to 7pm Central Time.

Attachment A is the Identity Monitoring Services offered by Blue Shield, including how to activate the services with KROLL.

Attachment B is Additional Information, which includes information on reviewing your credit reports and account statements and notifying law enforcement of suspicious activity. It also tells you how you can obtain a free copy of your credit report.

If you are a Blue Shield Member, you should watch your mail for receipt of the notice mid-November (the letters were dated November 10, 2023).

##

NABIP Member Request

Ask Your Senators to Co-Sponsor Employer Reporting Relief Legislation!

The Employer Reporting Improvement Act (S. 3204) and the Paperwork Burden Reduction Act (S. 3227) are nearing the finish line. The employer reporting bill has undergone extensive debate and analysis by the Department of Treasury and Capitol Hill. Now, after several years' worth of work, these bipartisan bills have moved through committee, passed the House on voice vote and are ready for consideration by the Senate.

Spearheaded by Senators Mark Warner (D-VA), Todd Young (R-IN), John Thune (R-SD) and Catherine Cortez Masto (D-NV), these bills represent an example of continued bipartisan cooperation to finally streamline the employer-reporting requirements and reduce the administrative burdens for all employers.

Your voice is more critical than ever. We urge you to contact your senator today to support **S. 3204** and **S. 3227**. This is our chance to make a significant impact, reflecting our dedication to improving health insurance practices and easing employer reporting requirements.

Let's seize this opportunity to bring about positive change. Your call to action with your legislator can drive these bills over the finish line! Please urge your senator to support these bills. You can also ask your employer clients to send a message to their lawmakers here.*https://nabip.quorum.us/campaign/50775/*

Register Now for NABIP Capitol Conference, Washington DC!

NABIP Capitol Conference

Hyatt Regency, Capitol Hill, Washington, DC

February 25-28, 2024

Be Part of the Action… You'll Never Forget It!

Room Block is Available While Space Permits

At Hyatt Regency, Capitol Hill

400 New Jersey Ave, NW, Washington, DC

Registration Available At:

https://nabip.org/capitol-conference

Earning the Registered Employee Benefits Consultant® (REBC®) designation elevates your credibility as a professional. The field of employee benefits continues to evolve rapidly. A year does not go by without new government regulations, new or modified coverages, and new techniques for controlling benefit costs. To best serve their clients, professionals need to have a current understanding of the provisions, advantages, and limitations associated with each type of benefit or program as a method for meeting economic security. The designation program analyzes group benefits with respect to the ACA environment, contract provisions, marketing, underwriting, rate making, plan design, cost containment, and alternative funding methods. The largest portion of this program is devoted to group medical expense plans that are a major concern to employers, as well as to employees. The remainder of course requirements include electives on topics serving various markets based on a broker's client needs . ***Earn yours now!***

NABIP PAC has a new name but it remains committed to moving forward and fulfilling its mission to support candidates that support our industry. I'm writing today to explain what NABIP's political action committee is and how it operates.

What is the National Association of Benefits and Insurance Professionals Political Action Committee (NABIP PAC)?

- NABIP PAC is a separate segregated fund (SSF) that allows for political advocacy from the connected organization -- in this case, NABIP.
- For this reason, the PAC (candidate fund) is restricted to raising money from dues-paying members.
- PAC money is NOT tax-deductible. Contributions are not deductible for state or federal tax purposes.
- NABIP PAC has two different accounts:
  - Candidate Account
  - Administrative Fund

What is the Candidate Account?

- It is made up of individuals' contributions through personal credit cards or bank accounts.
- Funds from this account are given to political candidates, both challengers and incumbents, Democrats and Republicans.
- NABIP members, their spouses and NABIP staff can give up to $5,000 each year (federal law).

What is the Administrative Fund?

- Businesses can contribute to the Admin Fund.
- State and local chapters can also contribute.
- Money in this account goes to the operating costs of NABIP PAC so that the Candidate Account can be reserved solely for political contributions.
- Unlike the Candidate Account, there are no contribution limits on the Administrative Fund.

How does the NABIP PAC money we donate get spent by candidates?

- Winning Senate candidates spent an average of $16 million in 2022.
- On average, $2.0 million was spent to win a House seat in 2022.
- A NABIP PAC donation of $2000 is just one in 2000 groups of people contributing to total amount needed to win that House seat.
- Needless to say, members of Congress have many groups like NABIP that expect their legislative agendas to become a priority through their donation.
- **Through NABIP PAC, NABIP gets time and access to members of Congress to advocate on behalf of agents and brokers.**

What are the rules for communication of available money for Candidate Account Fund?

- A member of Congress and his or her staff are never allowed to discuss the campaign or fundraising while using government resources. This includes in their office, while they are working on a Congressional activity, or using an email or phone number provided by the member's office.

Reach out to me Cathy@BAISins.com or Gail to view/ or update your NABIP-pac fund giving level here and donate today if you are not currently!

Cathy Daugherty , VP of PAC

Are you Ready to Contribute NABIP PAC?

If so, please complete the form on page 27!

Note: CAHIP PAC contribution form can be found on page 33!

NABIP | pac

The purpose of the NABIP PAC is to raise funds from NABIP members to support the political campaigns of candidates who believe in private-sector solutions for the health and financial security of all Americans.

Contribute securely at www.nabippac.org

Step 1: Tell us about yourself. *(All information must be completed in full by contributor.)*

Name: Occupation:

Employer: Address:

Email: Phone:

Step 2: Please select (A) Fund (B) Frequency (C) Contribution Level

☐ New Contributor ☐ Past Contributor ☐ Change Contribution to Amount Checked Below

A. Choose a Fund

☐ Candidate Fund* ☐ Administrative Fund**

**Candidate Fund can ONLY accept personal contributions.*
***Administrative Fund can accept corporate contributions.*

B. Contribution Frequency

☐ One-Time Contribution
☐ *Charge my account annually for this amount.*

☐ Monthly Contribution (Recurring)
Credit card or bank account will be charged monthly.

C. Contribution Levels

		(Annual)		*(Monthly)*
Member	☐	$150	☐	$12
Bronze	☐	$365	☐	$30
Silver	☐	$500	☐	$42
Gold	☐	$750	☐	$63
Platinum	☐	$1,000	☐	$85
Diamond	☐	$2,000	☐	$170
Double Diamond	☐	$3,000	☐	$250
Triple Diamond	☐	$5,000	☐	$415
Amount not listed	☐	$	☐	$

Did a NABIP member refer you? If so, who?

Step 3: Provide your method of payment.
(Payment must be from a personal credit card or bank account if contributing to the Candidate Fund.)

Credit or Debit Card ☐ American Express ☐ Discover ☐ Mastercard ☐ Visa

Card Number: Expiration Date: (mm/yy):

CVV: Zip Code:

Checking Account

Bank Routing Number: Account Number:

Signature

☐ I authorize NABIP PAC to initiate charges to my personal bank account or credit card as shown above.

Signature: Date:

Step 4: Submit this form.

Mail
NABIP PAC
999 E Street NW, Suite 400
Washington, DC 20004

Fax
202-747-6820

Email
nabippac@nabip.org

A contribution to a Political Action Committee is not tax deductible. Only NABIP members, their immediate families and NABIP staff may contribute. Only U.S. citizens and permanent residents may contribute. Any guidelines mentioned for contributions are merely suggestions. You may contribute more or less than the guidelines suggest, and the National Association of Benefits and Insurance Professionals (NABIP) will not favor nor disadvantage you by reason of the amount of your contribution or your decision not to contribute. Federal law requires PACs to report the name, mailing address, occupation and employer for individuals whose donations exceed $200 in a calendar year. Federal law prohibits corporate or business donations to a federal PAC. Please make certain that your check or credit card is your personal account.

A Night To Remember!

Holiday Lights Cruise 2023

By Ciaran Patrick, CAHIP-OC VP of Professional Development

A happy and merry night to be had by all. With over 130 in attendance CAHIP-OC hosted their first ever holiday celebration on the water amongst the spectacular Newport Harbor Lights. An opportunity for industry friends to get together and give back in the spirit of the season to Catherine's Club, which is responsible for feeding over 5,000 children each day. All of which was made possible by our generous sponsors for the evening: AMWINS & United Healthcare were our main event sponsors with Colonial Life & Accident sponsoring our photo booth for the evening.

This time of year tends to have many working long hours where forgoing time to let loose or pull yourself away from your desk has quickly become a standard. We are incredibly grateful to all who had the opportunity of joining us this evening, reconnecting face-to-face and getting the quality time that builds meaningful relationships.

Due to the great success and overwhelming support from generous sponsors, we are planning on an even larger cruise next year to accommodate more of our insurance family who may have unfortunately missed this year's event, as we sold out fairly quickly.

Huge thank you to Gabriella Bellizzi and the rest of the Professional Development Team for organizing this event and kicking off the end of year celebrations with a BANG! We'd also like to thank Gail Clarke our Executive Director, Dorothy Cociu our Vice President of Communications and Public Affairs and John Evangelista our Chapter President, for their continued support and encouragement as all good things rely on an even greater community. We hope to continue growing that community and sharing more lovely memories with the rest of our insurance family. ##

CAHIP-OC Holiday Lights Cruise Photos 2023

National Association of Benefits and Insurance Professionals

NABIP

Shaping the *future* of healthcare

How to get more value from your NABIP membership

The activities below provide a blueprint for extracting the greatest value from your membership:

- Visit NABIP's Micro Site - **www.welcometonabip.org**
- Take advantage of NABIP's **Mentorship Program**
- Read America's Benefit Specialist Magazine each month and learn something new
- Listen to the NABIP **Healthcare Happy Hour Podcasts** on a weekly basis for up-to-date talking points
- Attend the NABIP **Power Hour** webinar monthly for in depth topic discussions and socialize with fellow members
- Attend Local Chapter meetings for opportunities to learn and network
- Volunteer to serve on a committee (Membership, Social, Programs/Expo, Legislative, etc.)
- Recruit one new member – best way to learn is to teach someone else about the NABIP value proposition
- Meet with a NABIP Board member and find out what motivates them to give their time and money
- Attend Day on the Hill and meet with your state legislators to discuss bills you support or oppose
- Attend NABIP Capitol Conference – annual legislative fly-in to Washington DC (IMPORTANT ONE)
- Attend NABIP Annual Convention to meet members from across the country and vote for NABIP incoming Secretary and other membership matters
- Contribute to NABIP-PAC – Political Action Committee contributions help us to have our voice heard on legislative issues at the national and state level. Contribute monthly to each!
- Participate in Operation Shout – click and sign letters to **your** elected officials regarding important grass roots efforts
- Earn your **Registered Employee Benefits Consultant** designation - acquired from The American College
- Complete all 12 modules of the **Leadership Academy**.
- Sign up to receive **Broker 2 Broker** emails on NABIP.org where you can post questions and respond to fellow members from around the country
- Share with your clients that you are a member of NABIP and working to protect their access to private health insurance and other benefits!

More information at www.nabip.org

NABIP Operation Shout! One of the primary ways we engage in advocacy for the consumer is by supporting legislation that ensures the future and stability of the insurance industry. Through Operation Shout, you as a member have the opportunity to participate in this process. As legislative needs arise, you will be prompted by staff to participate in Operation Shout. Participating is quick and easy. When you click on "write" you will have the option of using the message we have already created, which takes less than a minute, or composing your own. Either method is effective and sends a strong message to your member of Congress about the important issues facing us today. You can also check back at any time to view and send archived messages. When engaging in NABIP grassroots operations, remember that we are most effective when we speak with one voice. As always, if you have any questions, please feel free to contact us!

CAHIP-OC Holiday Lights Cruise Photos, December, 2023

Fun Times Were Had By All!

NABIP
Healthcare Happy Hour

Subscribe to NAHU's Healthcare Happy Hour

http://nahu.org/membership-resources/podcasts/healthcare-happy-hour

Latest Podcasts:

- **House Ways & Means Committee Advances NABIP Federal Priority to Ease Employer Reporting Process**
- **Are you Ready for NABIP's Annual Convention?**
- **How to Best Leverage Employee Benefit Portfolios—from Retirement Plans to Pet Insurance**
- **A Stay inn ACA Preventive Care Mandate Case: NABIP Submits More Testimony**
- **What You Need to Know About the End of the COVID-19 Emergency Periods**
- **NABIP Submits Written Testimony on Host of Healthcare Issues**
- **Special Guest from Nonstop Health Discuss Benefits for Brokers and Employers**
- **An Individual Market Agent's Perspective on the Medicaid Unwinding**

Follow CAHIP-OC on Social Media!

https://www.facebook.com/OCAHU/

https://www.linkedin.com/groups/4100050/

https://twitter.com/orangecountyahu?lang=en

Women In Business Will Be Back!

May 31, 2024

Balboa Bay Resort

Mark Your Calendars for This

Cannot Miss Event!

Don't Forget to Register…

And Mark Your Calendars for January 9th, CAHIP OC 's Legislative Updates Meeting,

East Anaheim Community Center, Anaheim Hills!

Plus! Our Annual Sales Symposium on February 13th!

See pages 7 and 19 for Details!

NABIP
Shaping the *future* of healthcare

WHAT IS THE **ANNUAL VALUE** OF NABIP MEMBERSHIP?

SPECIAL THANKS TO OUR ANNUAL CORPORATE SPONSORS!

Titanium Level

KAISER PERMANENTE®

aga
AN INTEGRITY COMPANY

Gold Level

Anthem
Independent licensee of the Blue Cross Association.

Clarity | BENEFIT SOLUTIONS™

Silver Level

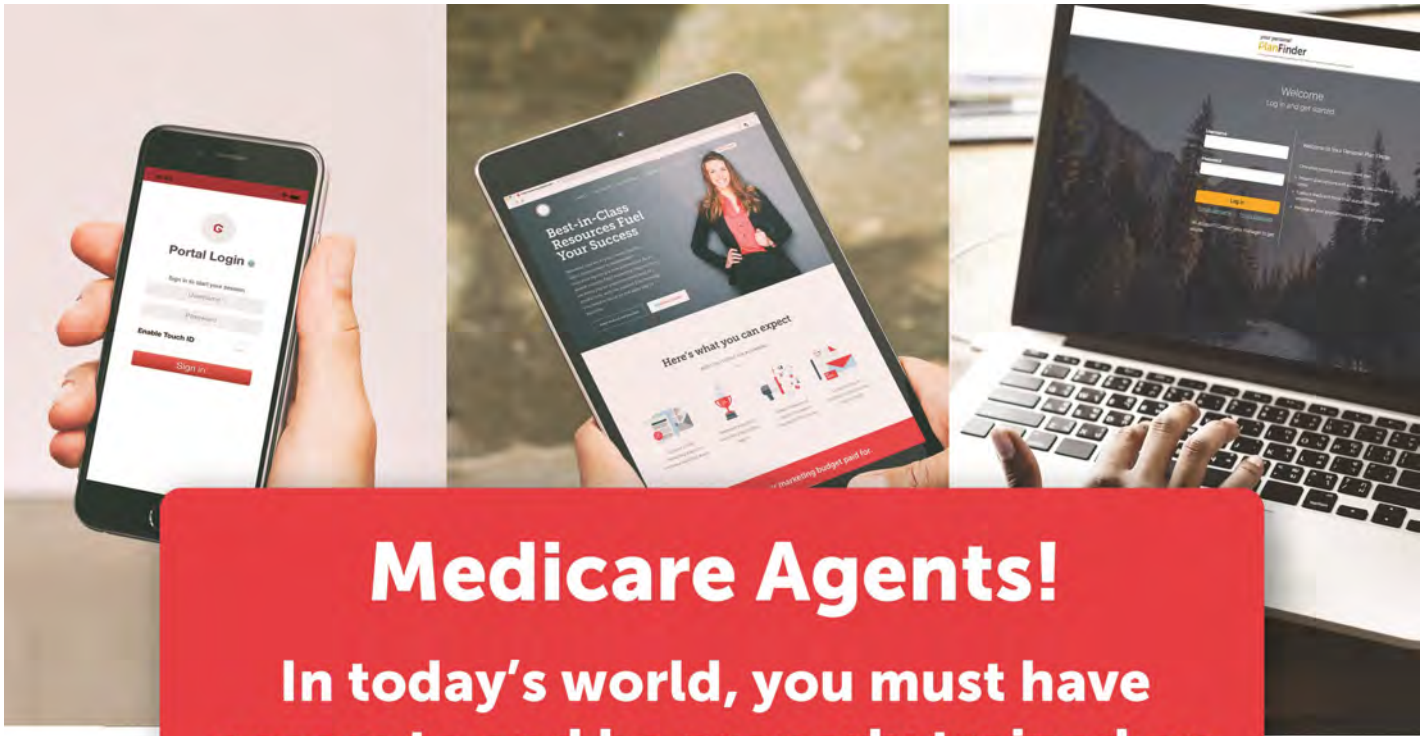
COVERED CALIFORNIA
SMALL BUSINESS

Providence
Medicare Advantage Plans

Bronze Level

BRi

Word&Brown.



Medicare Agents!

In today's world, you must have access to and be properly trained on using remote enrollment tools.

AGA's Agent Portal gives you access to your own suite of online tools available anywhere you have the internet. It's a one-stop shop for all your Medicare business needs.

- Your Personal Plan Finder platform
- Quote ALL plans
- Enroll remotely
- Text SOAs

Call today!

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www.appliedga.com

aga

- THE C.O.I.N. -

Don't miss our upcoming events!

UPCOMING EVENTS

JANUARY MONTHLY LUNCHEON MEETING, TUESDAY, JANUARY 9, 2024 - 11 AM TO 1:00 PM, EAST ANAHEIM COMMUNITY CENTER, ANAHEIM HILLS

CAHIP-OC SALES SYMPOSIUM, TUESDAY, FEBRUARY 13, 2024, LAKE FOREST COMMUNITY CENTER

SWING "FORE" A CURE GOLF TOURNAMENT– APRIL 22, 2024 - 11:30 SHOTGUN START—ALISO VIEJO COUNTRY CLUB

WOMEN IN BUSINESS– MAY 31, 2024– BALBOA BAY RESORT

Visit our website for more details

www.ocahu.org

linkedin.com/groups/4100050 **facebook.com/OCAHU** **@OrangeCountyAHU**