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Manfred M&M McKinley
Brokerage Services

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December McKinley Madness Winners !

Joe Pfennigner

Fred Sample

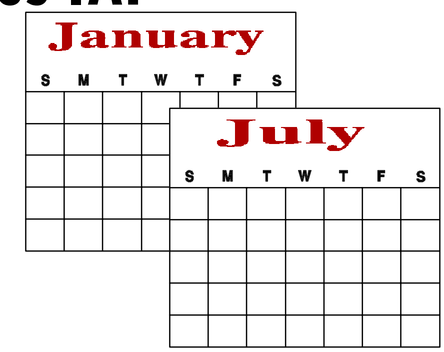
Larry Young

David Lippock

Francis Petrini

Congratulations!!

Highmark Introduces IAP



The Broker Program, also known as the Broker Pool, has been renamed The Independent Agent Program (IAP). Highmark established this program in part to be able to identify the broker pool to the client population in much the same way the association materials have been identified. At the request of brokers, this name change brings with it semi-annual renewals and rate schedules that spread the workload commonly experienced in the spring before July renewals. Groups sold with January through June effective dates will renew in January. Existing groups and any groups sold with July through December effective dates will have July 1st renewals. Groups must have the same renewal dates for all products.

Highmark Broker Pool now has a new name change and semi-annual renewals and rate schedules.

If you would like a copy of these new rates, please call Palma.

* Adding and/or Replacing Products *

When adding or replacing products to an existing group, the demographics (which is made up of average age, industry band and area) remain identical to the demographics at the last renewal. Their rate band will not change until the next renewal, even if the group's average age changes. Demographic information can be found on the renewal rate page that you receive prior to the renewal. If you are unable to locate those rates, call Donna or Bridgit at 412-835-0436.

In an effort to streamline the change and replacement process, **some changes no longer require the employee to complete a new enrollment form.** When a group is changing benefit design but not benefit delivery systems (i.e., network), no new enrollment forms are necessary. Moving into or out of the Community Blue network, for example, would require enrollment forms. The three items needed when a group is **changing a benefit design only** are a Group Sales Entry Form, a check, and a current UC-2A. Participation rules, of course, would still apply.

To better service your clients questions, call for a copy of Highmark's Privacy Policies and Practices and the Gramm-Leach-Bliley Act "Fact Sheet".

Don't lose your business to someone else...use this as an opportunity to stay in contact with your client and to

KEEP THAT BUSINESS !

Free with no Charge!

Highmark and Privacy

Your group clients' administrators, as well as your direct pay (individual product) clients, received in July a copy of Highmark's Notice of Privacy Statement. It is important that we all understand the importance of the Gramm-Leach-Biley Act, the HIPAA Privacy Rule and Highmark's policies and procedures. Please contact Palma or Jennifer for a copy of any of these publications. Highmark will continue to keep us informed on privacy legislation at group meetings and in their communications with us.

Free !

Simply HR

No Charge!

Have you heard about Highmark's venture with Simpata that will provide Highmark clients with an easy-to-use secure internet tool to simplify all aspects of administration needs for their company? This no-cost program (to Highmark clients) was designed to meet the human resource needs of employers with 20-500 employees, and may be effective with smaller groups (minimum of 10). It is federally compliant, customized to meet your clients needs, and will provide employees on-line access to:

- Company Human Resource handbook
- common HR questions
- company policies and procedures
- Highmark benefit information
- Highmark provider information
- Highmark claim information
- Highmark add/delete dependent
- Highmark on-line enrollment.

Make sure you tell your clients about this. If you don't, another broker might, and could get a BOR on your group while he's there! Your clients can enroll today at www.simpata.com/highmark/simplyhr. Please check it out. If you'd like a brochure, give us a call. Remember, this is free to all medical subscribers!

HIPPA Compliance Requirement

Highmark is now requiring a special form to be used with all individual products (Complete Care, Keystone Individual, DirectBlue Individual, Preferred Benefits).

This form must accompany all applications.

Applications received after 12/1/01 without these forms will not be accepted.

Medical Expenses and Industry Trends

This country, and this region in particular, is facing double-digit rate increases in health insurance premiums again. In an effort to help explain the reasons behind this increase, please keep these thoughts in mind:

- **Increase in technology-** *FYI-just a few years ago, Western Pennsylvania performed more MRIs than the entire country of Canada!*
- **Pharmaceuticals**- More new drugs mean higher expenses. Quality medicine sometimes means higher costs.
- **Value–** The carriers we represent are financially sound. Additionally, they put a lot of money into benefits for our clients, like community service work throughout Western PA, and behind-the-scene programs for members with lingering health issues.
- **Economy–** Recent events have effected our nation emotionally and economically. The cost of health-care continues to rise, along with unemployment and a decreasing stock market.
- **Research–** All medical providers are investing many resources to develop more cost-effective ways to control costs and deliver quality care.

Pharmaceutical costs are rising , which is one factor in the increasing cost of health insurance premiums.

Highmark LTC

Highmark is now partnering with GE Capital to provide Long Term Care to potential clients in Western Pennsylvania. They are now making it even easier for you to sell this top-quality wealth-preservation product with little or no involvement in the sales process. The "Alliance" program partners you with a GE Capital agent. You open the door and the well-trained and experienced GE agent will provide your client with the information they need to make an informed decision. You then receive commission splits based on the amount of your involvement. Commissions are 45% the first year and 9% in subsequent years. And remember, most of these policies stay active for as many as 20-30 years! Please call Bridgit for details.

This is an opportunity for Highmark Brokers to work with GE Capital agents to market long term care to your clients.

AMS: American Medical Security PPO

American Medical Society has retooled their MedOne product, making it very competitive with other individual products in the area. This is a good program for your hard-to-place clients. AMS will rider or rate up your clients with this new PPO. It uses two different provider networks.

NEW PPO

If you would like licensing, brochures or rating software, call Palma.

Good opportunity to earn some extra $$$

M&M

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Important Info Inside !

Why do Business with Us ?

Quality Service
Continuous Training
Courteous & Professional Staff
Timely and Accurate Commission Payments
Call us now for Details!!