



Preparing for the unknown

LOOKING OUT FOR THE INTERESTS of his small group clients, Adam Bruckman keeps up with the latest in health care reform, one development at a time.

As Congress resumed its debate on health care last month, *Employee Benefit Adviser* caught up with Adam Bruckman, president and CEO of Atlanta-based Digital Insurance. A member of the Council of Insurance Agents & Brokers Government Affairs subcommittee, Bruckman has closely followed the activity on Capitol Hill to keep both his small group clients and fellow brokers apprised of how to prepare for whatever may be crossing the president's desk.

What have you been seeing lately?

We've got some very good lobbyists in D.C. Joel Wood and the folks [at the Council of Insurance Agents and Brokers] are working hard, along with the folks from the National Association of Health Underwriters, and I think they're doing a very good job representing our interests and the interests of the private insurers.

As everyone's seen on the news, there were some very heated discussions at town hall meetings, and I think the good news is

we're finally getting the issues on the table that need to be discussed. My concern several weeks and months ago was there was a lot of very important information being discussed, but it was just being discussed in Washington and maybe the public wasn't aware of all the details. Now it's good that those discussions are happening in more of a public forum.

What can firms do to play a role in health care reform?

No one can be certain of what is going to happen, but it's important to stay focused on your business and be as knowledgeable as possible about the potential changes. For instance, at Digital, we are asking ourselves how we can expand our scale and efficiency to continually provide additional services to our small groups. We are having discussions with hundreds of agencies about segmenting their business to help prepare for change and potential growth opportunities.

Communication with your congressmen and senators, your employees and your clients is very important. Change is needed, but it needs to be smart change that makes sense in the long run.

What do you think about the general public's opinion of brokers and consultants?

I've been pleased with the conversations I've had directly with our clients and with what I've heard through discussions with our staff. People do value what we bring to the table. Health care and health insurance is very confusing, and the number of options requires an advisory role to help evaluate the alternatives. I feel like the public does understand the role of private insurance and the importance of having a broker. The vast majority of employers that provide benefits are very pleased with their adviser. As an industry, it's important that we continue to provide value to educate our clients.

Movers&Shakers

What are you hearing from employers about enrollment?

Clearly, as in previous years, they're looking to control costs. More and more, we're having clients move to high-deductible plans or

HSA-style plans or other co-pay changes to try to control costs. But there also seems to be a little bit of an element this year, with all these discussions that are going on now,

a wait-and-see [attitude] and maybe not making dramatic changes in their benefit plans or their benefit options. So an employer that might have previously considered moving carriers this year or making dramatic changes in their benefit offerings I think is trying to make sense out of what's happening in Washington and maybe looking to make some modest changes this year and trying to wait to see if there's any major changes in what comes down the pipe with health care reform.

What can brokers and consultants do to help their clients prepare for that uncertainty?

I think just education. It's a little bit difficult right now because there's so much information and it's very fluid, it changes by the day. What's important is that we educate our clients on what's being discussed. There's nothing wrong with talking to clients about why we believe reform is necessary in some of the areas where we think reform makes sense.

I think it's important to be as balanced as possible in letting our clients know what is being discussed, things like individual mandates, the potential of an employer mandate, and what some of the minimum contribution levels might be.

If you were in charge, what would you want to see Congress do?

I really do believe that there is a lot being proposed that does make sense and that most people can agree to. Having an indi-



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vidual mandate and market reforms such as eliminating preexisting limitations and having guaranteed issue will truly allow all Americans access to health insurance, and that is a good thing for this country. Private insurers have suggested that they can agree to this as well. About 75% to 80% of the content in the bills have a common thread for which there is widespread support. The public option plan is what is most contentious in Washington and for the public. I believe we should put that aside and focus on the things we can change.

What about the employer mandate and taxing employee benefits? Are you hearing from employers on those issues?

That's a tough one. We are definitely hearing a lot about this because our business is focused on the small group market place. I believe that less than 50% of small businesses with fewer than 50 lives provide health insurance to their employees. Many small employers would struggle if they were mandated to provide that. My belief is that a mandate needs to be combined with some type of subsidy. Making changes in the way that employers are taxed or changing the tax

break that employers get for providing employee benefits would greatly change the viability of employer-sponsored health insurance and that's first and foremost what we believe is crucial to our system, having employer-sponsored health plans.

Do you think President Obama will be signing a bill by Christmas?

Health care reform is one of the president's top priorities, and the administration is putting a lot of focus on getting something signed this year. To be successful, I believe they will need to put aside the difficult issue of the public plan and focus on what we can agree upon. My hope is that something does get passed. I think it's time. In the meantime, I think that the many advisers who do a good job would agree with me that they should spend their time helping their clients and focusing on value-added services rather than on what is broken in the system.

How do you think Senator Kennedy's passing will affect health reform?

There are probably two competing things going on there. One is the public sentiment. There are a lot of folks who realize his life and one of his strongest passions was working on health issues and health care reform, and I think there's one school of thought that says the Senate and Congress will come together at the president's urging and try to follow through with health care reform and use Ted Kennedy's

final wish as one of the stimuli for that.

But, I think the reality is that they lost a key Democratic vote, and it's not clear yet on whether that position will be appointed [in time.] It's very close now on whether [leg-

islation] will pass, and that's one less vote for health care reform the way it's laid out right now. **EBA**

PODCAST

NAHU's Peter Stein takes a look at the provisions in Sen. Max Baucus' health reform bill that are likely to affect employers; only on eba.podhoster.com.