



Humana Chamber Partnership

The Scottsdale Chamber of Commerce will be offering the Humana Chamber Health Benefit Solution joining the Greater Phoenix, Glendale, Mesa, Peoria and other area Chambers who already participate. “There will be a premium discount to Scottsdale Chamber members who newly enroll or renew to a Humana group plan,” according to Chamber VP of Business Development Eric Butruff. “Additionally, any health benefits agent who is a member of a participating Chamber can assist their clients with the new program.”

The Humana Chamber Partnership appears to be a well conceived program that will be successful for all participants. This will be true as long as the Partnership remains a balanced win-win-win-win scenario for the four parties involved.

THE SCOTTSDALE CHAMBER WINS

The Scottsdale Chamber will have an additional benefit to attract and retain membership. The discount on health, dental, and life insurance premiums will offset some or all of the cost of Chamber Membership. Partnering with a quality national insurer like Humana is a good move. Humana specializes in small and mid-size employer groups and has excellent medical, dental, and life insurance programs. Insurance agents may join the Scottsdale Chamber to better assist their member clients. Additional membership is the win for the Scottsdale Chamber.

CHAMBER MEMBERSHIP WINS

“The three percent discount on group health insurance premiums and higher discounts on dental and life insurance represent significant savings,” advises Eric Stern, Humana Sales Executive. “Using \$10,000 a month of medical premiums as an easily convertible benchmark, the savings are \$3,600 for the year on just the medical portion. This reduction is off the new medical premium or will lower the renewal,” continues Eric. “Remember, employees and their families will also save on the portion of medical, dental, and life premiums that they are required to pay.” Employers, employees, and their families with Humana group insurance will save and this is a big win.

HUMANA WINS

Humana gains publicity and marketing momentum by association with the Scottsdale Chamber. Group insurance and

benefits are relationship businesses that are competitive and expensive. The Partnership is an efficient and targeted way to attract the type of agent and client that Humana desires. Improved marketing and sales is a win for Humana.

HEALTH INSURANCE AGENT WINS

This partnership avoids two agent pitfalls that eventually doom programs of this nature. Firstly, the discount does not come out of the health insurance agent’s pocket. Some other programs of this nature reduce commission by the amount of the discount. This jeopardizes the long-term success of the program when agents move their younger and healthier groups away from the programs to save for their client and restore their income.

Secondly, many programs of this nature appoint exclusive agents. In metro Phoenix, there are thousands of agents who help clients find the optimum benefits package. Choosing one or a few exclusive agents dooms programs by eliminating the majority. Having full compensation and being open to all is a win for health insurance agents.

FEW SHORTCOMINGS

An examination of the potential downsides of this Partnership is worthwhile. Firstly, because of the proper structure for the overall program, there will not be an underwriting disaster. Over time, rates for the entire program will not balloon out of control and the eventual program termination will not leave agents, business, and people holding bags of problems.

Fortunately, there are many quality health insurance companies competing for our business in Arizona, including Aetna, Assurant, BlueCross, CIGNA, LifeWise, Health Net, Principal, UnitedHealthcare, and now Significa. If the Humana program is successful, over time several competitors may attempt similar programs, and this may eventually dilute or eliminate the success of the Humana program.

CONTACT A HEALTH AGENT

To learn more about the Partnership Program, please contact the Scottsdale Chamber of Commerce or a qualified health insurance agent who represents Humana. ■

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