



Kentucky LOMA Society Newsletter

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Formerly known as The Derby City FLMI Society

www.kyloma.org

President's Message from Meredith Hettinger

Happy holidays from the Kentucky LOMA Society! 2008 has been an eventful year. The Society hosted four separate Lunch and Learn events, received two Outstanding Service Awards from our national LOMA organization, published two articles in Resource magazine, judged scholarly young people at the KDF Academic Challenge and collected a car-load full of pull-tabs and toiletries for Ronald McDonald House. We tried out some new ideas, too. For a change in venue, we held two Lunch and Learn events at the corporate offices of Atria Senior Living. We also surveyed your observations and experiences with the Society this past summer so that we could learn how to serve you better.

I was particularly proud that the Society was engaged with current events, all of which were relevant to our industry. Three of our four Lunch and Learn events dealt with the struggling economy ("Sub-prime Mortgage Crisis" and "Markets in Turmoil") or the 2008 Presidential Election. Allison Craig's feature article from Dr. Gohmann's presentation this past August, "Where do the Presidential Candidates Stand on Healthcare?" provides a great summary on this significant issue for our country. We all know that Obama won the historic election, but this issue (among many others) will require significant bipartisan cooperation to implement solutions.

The current economic downturn has challenged each of us personally and professionally. It was a pleasure leading the Society in 2008 and I look forward to my "second term" in 2009. May we all grow and prosper from the Society's educational programs and networking opportunities in the upcoming year.

Did You Know?

Kentucky LOMA Society events can qualify as CE for a CLU designation

A recent question from a member prompted research on continuing education requirements. Specifically, she wanted to know if Society events would qualify as for her CLU designation.

The Certified Life Underwriter (CLU) designation is sponsored by the American College. Education units from this organization are called PACE credits. PACE stands for Professional Achievement in Continuing Education. According to Judy Neil, Director of PACE at the American College, if a presentation is at least 50 minutes in length; it can be counted for PACE credit. One PACE credit hour can be awarded for each 50 minutes of actual program attendance.

Historically, most of the Society's Lunch and Learn presentations have been aligned with the American College's guidelines for program content. However, it is always good to verify with the American College if a particular program will qualify.

Lunch and Learn – Where do the Candidates Stand on Healthcare, August 26, 2008 – by Allison Craig

The Kentucky LOMA Society hosted a Lunch and Learn event on August 26, 2008. Stephen F. Gohmann, Professor of Economics at the University of Louisville, gave an informative presentation on where the presidential candidates stand on healthcare.

The number of uninsured in this country is approximately 45 million. Among those who report being uninsured, the top three reasons for not having insurance are 1) either coverage is too expensive; 2) can't get coverage or were refused due to poor health, illness or age, or; 3) they were not eligible for employer coverage.

According to a Health Tracking Poll conducted by the Kaiser Family Foundation in June 2008, the main issues that voters want the candidates to discuss regarding healthcare are making healthcare and health insurance more affordable. In his presentation, Mr. Gohmann examined the two major party candidates' positions on health care and analyzed the economics behind some of their proposals.

On the issue of insurance coverage, Obama supports providing universal health care coverage through federal and free-market solutions. Obama would also mandate health care coverage for all children and create a new public program for the uninsured that is similar to Medicare but for those under age 65. He is also a proponent of pay or play, which would cause employers who do not provide insurance coverage for their employees to pay a 6% payroll tax. In contrast, McCain would provide a variety of insurance choices, nationwide and across state lines for people to choose from. He also supports offering tax credits of \$2,500 and \$5,000 for families to help pay for coverage.

On the issue of medical costs, Obama wants to put focus on prevention, managing chronic conditions, and more efficient and increased use of information technology. He will also encourage transparency to allow price shopping. Alternatively, McCain encourages greater competition by allowing insurers to operate nationwide. He also supports allowing families to be in charge of their health care costs and would encourage market solutions such as walk-in clinics in retail outlets. McCain would also require transparency to compare prices and outcomes.

On the issue of drug availability, Obama supports getting generic drugs to the market more quickly and the importation of drugs from developed countries. McCain would allow the federal government to negotiate lower prices for Medicare's prescription drug program (Part D), make generic drugs more available and support drug importation.

Both candidates' plans are similar on the issues of technology and Medicare. Obama supports electronic record keeping using federal funds and McCain advocates using better health information technology to coordinate care. On the issue of Medicare, Obama would keep Medicare intact. He would allow the federal government to negotiate lower prices for Medicare's prescription drug program (Part D) and reduce the number of Part D plans. McCain would also allow the federal government to negotiate lower prices for Medicare's prescription drug program and is against Medicare paying for medical errors or mismanagement.

So whose health insurance plan is better? If you are in favor of more government involvement in health care, you should support Obama. While Obama's proposals will decrease insurance choice, increase regulation, and increase public funding of healthcare, Obama's proposals are likely more progressive than McCains and will create larger risk pools. Obama's plan is likely much more expensive. Further, an employer mandate may lead to higher unemployment levels.

If you are in favor of less government involvement, McCain is your man. McCain rejects "coercion and the use of state power to mandate care, coverage or costs." A shift to individual—rather than employer-provided—health insurance accompanied by a decrease in regulation should: 1) reduce health insurance costs, 2) increase employment relative to Obama's plan, 3) give insurance companies the incentive to create innovative products, 4) give workers more choice of their health insurance plan, and 5) be more fiscally sound for the government.

On the other hand, McCain's plan will be more regressive and can adversely affect the ability of individuals with pre-existing conditions to buy health insurance. The McCain plan can only be successful if risk pooling can occur on the individual level.

The candidates' positions reflect the wide gulf between McCain's devotion to free markets and Obama's embrace of a larger governmental role. But the campaign also has revealed some common ground on issues like technology and Medicare.

Both candidates would have to achieve significant reductions in the growth of health spending to fill budget gaps left by their proposals. Whether they can, either economically or politically, is speculative at best, particularly in a battered economy.

Society Member and Stakeholder Survey Results and Analysis

In July 2008, we asked for your feedback using an online survey tool. Here are some key points:

- ◆ Areas of difficulty for the Society included people being too busy to attend events (40%) and people not actively pursuing LOMA designations (90%).
- ◆ Positive feedback came in for the quality of the quarterly Lunch and Learn events (majority of respondents ranked the programs as "Good" or "Excellent") and the right amount of communication sent out to members (83%).
- ◆ The vast majority (91%) believe that "the objectives of the Kentucky LOMA Society can benefit me, my company and others who work in the financial services industry."

The results of the survey prompted the Board to renew its focus on serving its membership base. As of December 31, 2008, the Society had 29 paid members. Of course, many more people attend Kentucky LOMA Society events.

Linda Sullivan, a current year Board Member and Vice President for 2009, has identified activities to help the Society retain and expand its membership base. The Board will actively address these activities in the upcoming year. We welcome any feedback on how the Society can thrive.

2008 Society Committees (2009 appointments to be announced)

Committee	Member Appointed
Audit	Meredith Hettinger
Community Service Projects: KDF Academic Challenge Ronald McDonald House	Mark Evans Dianne Jensen, Allison Craig
Distinguished Service Award	Karen Christensen, Mark Evans
Education and Program	Eddie Cook, Meredith Hettinger
Membership	Mark Evans, Karen Christensen, Allison Craig
Newsletter and Publicity	Eddie Cook, Meredith Hettinger, Linda Sullivan
Nominations	Meredith Hettinger
Social Events	Eddie Cook
Technology	Jeremy Vessels

2009 Officers

<u>President</u> Meredith Hettinger, FLMI, CPA ResCare, Inc. Mhettinger@rescare.com (502) 420-2502	<u>Vice President</u> Linda Sullivan, FLMI AEGON Lsullivan@aegonusa.com (502) 560-4671	<u>Treasurer</u> Allison Craig, AIRC AEGON Acraig@aegonusa.com (502) 560-3806	<u>Secretary</u> Polly Stone, FLMI, CPA Atria Senior Living Group, Inc. polly.stone@atriaseniorking.com (502) 779-7480
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2009 Board Members

Eddie Cook, FLMI, CPA Capital Assurance Corp. EcCook55@yahoo.com (502) 228-2535	Mark Evans, FLMI/M, FSA, MAAA AEGON mevans@aegonusa.com (502) 560-2338	Karen Christensen, AAPA, ACS, CERT, FLMI, FFSI Humana, Inc. Kchristensen@humana.com (502) 580-8840	Jeremy Vessels, ASA, CFA, MAAA, AAPA, ACS, CERT, FLMI, UND, FFSI AEGON Jvessels@aegonusa.com (502) 560-3180	Dianne Jensen, FLMI DianneJ@insightbb.com (502) 290-8600
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