



Texas Association of Builders **Member's Choice Health Insurance & Benefits Marketplace**
Information for TAB member Insurance Brokers and their Agents

The Texas Association of Builders (TAB) has developed a private health insurance and employee benefits marketplace – **Member's Choice** (TABInsuranceMarketplace.com).

Only insurance agencies that hold a membership(s) in TAB may participate as Network Brokers in the Texas Association of Builders Member's Choice Health Insurance & Benefits Marketplace. The list of TAB's Network Broker agencies is at: TABInsuranceMarketplace.com/contact.

Why is TAB offering a Member's Choice Health Insurance & Benefits Marketplace to its members?

Leverage. Strength in numbers gives us leverage with insurance carriers. The more members who participate in the marketplace, the more influence we will have with carriers to make our marketplace the preferred option for health insurance and benefits for TAB's membership.

Frequently Asked Questions

Q: How do I become a Network Broker?

- A:**
1. At least one person within your agency must be a member of the Texas Association of Builders.
 2. If you are interested in becoming a Network Broker, contact Mary Castetter (Mary@TexasBuilders.org) or Lorraine Urey (Lorraine@TexasBuilders.org) or call them at (512) 476-6346 or (800) 252-3625.
 3. You must complete the online training program that prepares you to use the bswift platform, the backbone of our program. The training program is here: <http://gbacapgforbrokers.com/>
 4. Once you have completed all of the qualifications, TAB will approve you as a Network Broker.

Q: What is my responsibility as a Network Broker once I have been approved?

A: Once you complete your training, you will then execute a Network Broker agreement with the ebenefit marketplace (EBM). EBM is an authorized national reseller of the bswift platform. Your agreement with EBM outlines how you work with the platform and how you are compensated.

Following training and execution of your EBM/Network Broker agreement, you are ready to use the TAB Member's Choice Health Insurance & Benefits Marketplace in your employer/employee consultations and to promote the marketplace to members of the Texas Association of Builders.

Q: What does the TAB Member's Choice Health Insurance & Benefits Marketplace offer?

A: The private marketplace, developed exclusively for TAB members, is an employer/employee benefits management solution that affords employers ease of administration in offering employee benefits, managing policies, and complying the federal Affordable Care Act. The private marketplace can contain all available benefits, carriers, and plans to TAB members in one secure, convenient, easy-to-use platform that can be updated to ensure that the best products are available to members.

- The bswift platform is used by some of the largest corporations in the country (including Anheuser-Busch, Cheesecake Factory, and Iron Mountain), and over five million employees are enrolled through bswift. You will be working with one of the most consumer-friendly and powerful employee benefit management tools available.
- The bswift platform does NOT come pre-loaded with locally available health insurance plans and carriers. You consult with your clients and present them with their options; the client chooses a carrier and plans; then you will work with a project manager at Employee Benefit Management (EBM), as outlined in the training program, to load the health carrier and plans chosen by the employer for their employees to choose from.
- The bswift platform does come pre-loaded with voluntary and ancillary carriers and plans for your clients to choose from.
- In addition to the "on exchange" program, TAB has made available a Covenant Care level-funded product for you to present to your clients. While this product is not a fit for all members, it is a great alternative to traditional carrier programs and will work for many companies.

Q: So, there is not just one carrier or plan that every TAB member must use?

A: That is correct. Some members may prefer Blue Cross, others Humana, UnitedHealthcare, Covenant Care, etc. Regardless of where our members are in Texas, the locally available plans are what you can present to your clients. Some carriers have full electronic data interchange (EDI) interface with the platform and others may not. Bswift is constantly updating its over 8,000 electronic relationships with carriers. As more carriers transition from paper enrollments to electronic, the easier your and your clients' lives become by using this platform. The voluntary and ancillary carriers available on the platform make engaging clients with those options simple and straightforward.

Q: What do I do differently when approaching an employer group about using TAB Member's Choice Health Insurance & Benefits Marketplace?

A: The full strength of this platform is realized by transitioning employers away from defined benefits to defined contribution. We will provide you with a document that helps an employer understand the different approach to benefits under defined contribution. This is covered in the Network Broker training.

- Since World War II, employers have bought coverage for their employees and as time passed, split the cost share with employees on different bases. Over the last 15 years, rates have increased by over 270 percent, dramatically increasing employer costs and employee cost share.
- Brokers have had few options other than plan design changes to mitigate rate increases, or shifting an employer to a different carrier, or the employer increasing the employee cost share. With a defined contribution model the employer gains control over what the employer budgets for benefits, and the employer decides with the Network Broker how to divide that budget up among employees. The employer works with you to decide what benefits, carriers, and plans to make available to their employees to choose from.
- You will work with a project manager from EBM to load the employer's choices onto the platform, then you work with the employees on enrollment. Once the employer's allotted budget for an employee is reached in the enrollment, any additional employee purchases are paid for by the employee through payroll deduction.
- The employer will receive a bill from the carrier(s).

Q: What does the employer gain from this?

- A:**
- The company avoids large rate hikes by establishing a budget with the employer in advance.
 - The company sets its own benefits budget and determines how to divide the benefits budget among its employees.
 - The company decides what benefits, carrier(s) and plan options to offer to its employees.
 - The employees are educated about their choices for their own benefits with the support of their Network Broker; the employees use the marketplace to make their personalized benefit choices as informed consumers of benefits for the first time.
 - The employees are empowered to make their own benefits choices, rather than having those decisions made for them. The employee gets to purchase ancillary and voluntary benefits beyond health insurance, some of which they have never had access to, such as vision and dental coverage, and life and disability insurance.
 - The company enjoys the ease of administration of its benefits program.
 - TAB members who use the TAB Member's Choice Health Insurance & Benefits Marketplace are working together to encourage carrier competition for their business. The more participation from TAB members, the more we can leverage benefits for members.

Q: Is there a per employee, per month fee for employers to use this platform?

- A:** Yes. There is a fee of \$12 per employee per month (pepm) to access the private benefit marketplace. This fee equates to a cost of approximately 39 cents a day. This pepm may be

paid entirely by the employer, entirely by the employee, or cost-shared at the discretion of the employer. The remittance of the fee comes to EBM from each employer whose employees use the marketplace.

Brokers may earn up to \$2 of this pepm based on the number of lives that they put through the platform. (Continue reading the FAQs for more information in this regard.)

Q: What justifies the pepm for the private benefit marketplace?

A: This administrative fee covers the employee’s use of the marketplace from introduction to enrollment to implementation, the platform’s technology, and 365/24/7 marketplace access provided by EBM. The employer is protected by offering ACA compliant plans and adhering to compliance measures.

Included in the fee is a marketing fee for TAB, and compensation for Network Brokers as discussed later. Health insurance carriers are decreasing or eliminating broker compensation, leaving employers – especially small companies – with little help if brokers receive no compensation. Professional brokers are of great benefit to their clients, and that value must be compensated. The pepm adds up to less than one hour of professional consulting time per year.

Q: Can benefits, carriers and plans change over time, and can Network Brokers bring new products to add to the TAB Member’s Choice Health Insurance & Benefits Marketplace?

A: Yes. Benefits, carriers, and plans will change over time. This flexible marketplace allows us to add almost unlimited employee benefits, and current marketplace offerings may be changed and updated as the market dictates. As these changes occur, the TAB Member’s Choice Health Insurance & Benefits Marketplace will always be available to members with a full range of benefit choices.

If a Network Broker has a benefit, carrier, or product that you believe would do well in the marketplace, present it to EBM. The objective is for us to work together for everyone’s benefit – especially TAB’s members.

Q: How does a Network Broker verify that the company is a member of the Texas Association of Builders and is eligible to participate in the marketplace?

A: Please call Mary Castetter at the TAB office at (512) 476-6346 or (800) 252-3625 to verify that the company holds a membership. At the time of renewal, TAB will work with the Network Agents to verify that the company continues to hold an active membership.

What can a Network Broker Earn?

1. **Health insurance commission.** The broker keeps 100 percent of whatever commission(s) the carrier(s) pay.
2. **Ancillary products.** EBM brings the following carriers and products to the TAB Member’s Choice Health Insurance & Benefits Marketplace:

- **Guardian:** Dental, Vision, Basic Life, Voluntary EE Life & ADD, Basic EE ADD, Voluntary Spouse & Dependent Life & ADD, Voluntary Child Life & ADD, STD, LTD, CI, Accident, Cancer
- **UNUM:** Life, STD, LTD, Voluntary Life/STD/LTD
- **MetLife:** Dental, Vision, Basic Life, Basic ADD, Voluntary EE Life, Voluntary Spouse Life, Voluntary Child Life, STD, LTD, CI, Accident, Cancer
- **Assurant:** Dental, Vision, Life & ADD, STD, LTD, Voluntary Life & ADD/STD/LTD, Accident, Cancer, CI
- **Transamerica:** Group CI/Accident/Cancer, Voluntary CI/Accident/Cancer

The broker retains 50 percent of the commission earned on sales from these carriers.

These carriers' products can only be written through the EBM platform; these carriers have written versions of these products exclusively for our platform and cannot be found outside our platform. Your enrollment and client service inside the platform is electronic, and will save you valuable time in client service.

3. **Voluntary products.** EBM brings the following carriers providing the following products. Identity theft is the fastest growing crime in America, and we are pleased to provide your clients with the option to purchase identity theft protection and prepaid legal services:
- **Legal Club of America:** Prepaid legal services
 - **ID WatchDog:** Identity theft protection

The broker retains 50 percent of the commission earned on sales of these products. EBM receives 20 percent on plans sold, so the broker gets 50 percent of that or 10 percent. These carriers have developed these products for our platform and these versions of these products cannot be found outside our platform. Your enrollment and client service inside the platform is electronic, and will save you valuable time in client service.

4. **Per Employee, Per Month Fee (PEPM).** Broker/Partner has the ability to earn a portion of the monthly service fee (pepm) as follows:
- 2 – 199 employees: \$1.00 pepm
 - 200 – 299 employees: \$1.25 pepm
 - 300 – 399 employees: \$1.50 pepm
 - 400 – 499 employees: \$1.75 pepm
 - 500 + employees: \$2.00 pepm

The broker fee is paid on a quarterly basis based upon receipt of the monthly service fee from the client. The broker retains 50 percent of the commission earned on sales of these products. EMB receives 20 percent on plans sold, so the broker gets 50 percent of that or 10 percent. These carriers have developed these products for our platform and these versions of these products cannot be found outside our platform. Your enrollment and client service inside the platform is electronic, and will save you valuable time in client service.

www.TABInsuranceMarketplace.com

