

LIFE INSURANCE

When it comes to life insurance an individual should consider the following:

- Types of policies available
- Uses of such policies
- Other uses surrounding life insurance

The question is not should I own life insurance, but rather what type should I consider as well as the costs associated with such a policy.

As life expectancy is now exceeding 77 years, fifteen years ago the life expectancy rate was only 69.5. At this point in time, for the life insurance consumer, rates continue to go down and health conditions that would not have been accepted by life insurance carriers previously are often issued with a standard rating today.

Fifteen years prior, life insurance companies relied on door-to-door sales of their life products. Today, these same companies rely on independent agents along with the internet to obtain sales. Ameriben Alliance, LLC consists of a group of independent agents and a professional staff with expertise, who would be pleased to guide you in choosing the best suited life insurance policy as well as your life insurance planning needs.

Please know that we represent the finest life insurance companies in the business and although the rates we quote will concur with those on the internet we offer services that can't be obtained on the internet, a friendly face that you know and trust!

Now, let's get back to the questions "What Type and How Much?"

The different type of "Life Policies" can be broken down into a few categories. The chosen type depends on the consumer's need for having it.

For example, Group Life Insurance can be purchased by a company. This will be conceived as a worthwhile employee benefit at a very little cost to an employer, as compared to all other benefits that such company provides to their employees. This type of coverage is guaranteed (either 1 x salary up to a



maximum amount or a flat amount) and is based on the number of employees in a group. At times, this type of coverage will be the only life coverage an employee's family will see. If the employee leaves a company's employ, his/her group life insurance policy can be converted to an Individual Life Insurance policy.

Group Life Insurance does not have to be offered to everyone in a company, it can be offered to key employees only. Another way to provide key employees with an extra benefit.



How much should my employee have?

As mentioned earlier, in regard to Group Life Insurance, a minimal amount can be chosen, i.e. \$10,000 or a plan can be established that reflects 1 times an employee's earnings.

Several configurations can be put into place depending upon your employee structure. Our professionals will assist you in determining what is best for your company.

In our next issue we will discuss another type of life insurance coverage referred to as Individual Life Insurance.

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JUST A REMINDER

Beneficiary Information:

As an employer it is important to retain beneficiary information on the life coverage offered to your employees. We recommend having employees update this annually.

Qualifying Events:

(Enrolling individuals other than during Open Enrollment)

Yes, there are instances wherein an employee can enroll in your group's health plan off of the renewal cycle. This is referred to as a "Qualifying Event." Enrollment due to a qualifying event must be submitted within 30 days. Below are times when an individual can jump on:

Life Status Change – marriage, birth, adoption
Loss of Coverage
Loss of Full Time Student Status

Submission of Enrollments & Family Health Statements

Group health insurance carriers will not accept an Enrollment & Family Health Statement if it is signed prior to 30 days before an individual's effective date.

This is due to the fact that medical information can change making an employee's Family Health Statement out-of-date. Thank you for your cooperation.

CARRIER NEWS AND INFORMATION

ConnectiCare:

Effective July 1 2007 Connecticare will no longer require referrals concerning groups renewing 07/01/2007 or after.

Anthem BC/BS:

Lumenos HSA and HRA Plans:

Great News regarding your CDHP/Lumenos product:

Routine Eye Exams will now be covered at 100% under the Preventive Care benefit beginning July 1, 2007!

This applies to **ALL Lumenos members effective July 1** – including both new and existing members!

CBIA Health Connections

Pregnancy/Childbirth Deductible

On CIGNA's group health policy that have a hospital deductible we have noted that individuals have been being charged 2 deductibles, 1 for the mother and 1 for the newborn.

The only time 2 deductibles should be incurred is when either the mother or newborn are discharged on separate days.

If the mother and newborn are discharged on the same day only 1 deductible should apply.



HEALTH SAVINGS ACCOUNTS

HSA's – What's New in 2007:

Here are websites that you can access to learn more about HSAs:

www.hsainsider.com www.treas.gov www.lhsa.com

2007 HSA Contributions:

In 2007, tax-deductible HSA contribution annual maximums are: \$2,850 for individual coverage or \$5,650 for family coverage. In addition, individuals 55 and older who are covered by a HDHP can make additional contributions, referred to as catch-up contributions, in anticipation of medical expenses that will not be covered under Medicare – such as a portion of prescription drug costs or Medicare Parts A & B premiums.



- ***FSA and HRA Transfers into an HSA:***

For the next five (5) years an employer can make a one-time transfer of Flexible Spending Account (FSA) and Health Reimbursement Arrangement (HRA) balances into an HSA. The amount of the transfer cannot exceed the balance of the FSA/HRA. As of September 21, 2006, the employer must make this transfer option available to all employees and the employee who elects this transfer must maintain an HSA-eligible HDHP for a period of 12 months after the transfer.

- ***HSA Contributions for Mid-Year Enrollees:***

Anyone enrolling in an HSA-eligible HDHP at any point during the calendar year can now contribute the annual contribution maximum (\$2,650 for individual plans and \$5,650 for family plans) to their HSA. You must maintain your HSA-eligible HDHP for a period of 12 months after your initial contribution is made. In February or September, you now get the benefit of contributing the annual maximum.

- ***IRA Transfer Into an HSA:***

An individual can now make a one-time irrevocable transfer from an Individual Retirement Account (IRA) to an HSA. The transfer does count against the annual contribution maximum and requires the individual to be in an HSA-eligible HDHP for a period of 12 months after this transfer is complete.



All of us at Ameriben Alliance wish you a Safe, Happy & Healthy Summer!

“Caring through action”

BENEFIT PLANS

Since no two businesses have identical insurance needs, we can tailor a benefit plan that is designed to meet your expectations and budget. We will implement your plan by utilizing one or more of the wide variety of top quality products from highly rated companies.

Medical

- Fully & Self-Funded Programs
- Health Maintenance Organizations (HMO)
- Preferred Provider Organizations (PPO)
- Point of Service Plans (POS)
- Health Savings Accounts (HSA)
- Health Reimbursement Account (HRA)
- Indemnity Plans
- Long Term Care Plans
- Individual Plans
- Short Term Medical Plans
- International Medical Plans



Ancillary Benefit Plans

- Dental
- Long Term Disability
- Short Term Disability
- Group and Individual Life Insurance

Cafeteria Plans

- Flexible Spending Accounts (FSA)
- Dependent Care Accounts
- Transportation & Parking
- Premium Only Plans (POP)

Executive Benefits

- Life and Disability
- Buy-Sell Plans
- Key-Man Life Insurance

Voluntary Insurance

- Life, Disability, Dental, Vision



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**“If you enjoy what you do,
you’ll never work another
day in your life.”**

-Confucius

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We Need Your Help...

Since we are in the age of technology, we would like to periodically send you information via e-mail. The information we would like to send is newsletters, important carrier changes/updates and industry updates. We need your help in order to do this, we need you to give us your e-mail address(es) of the person(s) you would like to receive this valuable information.

Please call our office at 860.704.8020 and ask for Richelle or Laura or, you can e-mail them at richelle@ameribenalliance.com laura@ameribenalliance.com.

They will be happy to take your information and enter it into our database.

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