



The Cason Group, Inc.

AN EMPLOYEE BENEFIT BROKERAGE HOUSE

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October 2005

www.thecasongroup.com

CIGNA Introduces New Open Access HMO and POS Plans

*Great news! CIGNA HealthCare's long awaited
Open Access HMO and POS plans are now available!*

Features of these plans include:

- No referral needed
- Deductible and co-insurance plans—no hospital co-pays!
- Mail order RX benefit
- Chiropractic included
- No employee medical questions for groups with 25 employees enrolled
- Flat 6% commission
- Recent major network additions
- CIGNA will write 1099 employee's, only one W2 employee needed
- Competitively priced

Send us your groups today for a proposal with the new CIGNA plans!

Sales Contest **UPDATE**

Congratulations to the following brokers who have qualified for our trip to the Ritz-Carlton Lodge in March, 2006 through the 2005 Producer Contest.

Brian Beatson
Ed Byrd
Randy Capps
Billy Cox
David Hays
Deana Henderson
Tammie King

John Lenti
David Lowe
Theresa Quarles
Laurel Suggs
Scott Woodberry
Charles Worley

Many more are very close! There is still time for you to join them at the Ritz! Contest is for all business with 2005 effective dates. For more details visit our website www.thecasongroup.com or contact your Marketing Representative.

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OCTOBER 2005

CARRIER UPDATES:

BlueChoice

BlueChoice HealthPlan (formerly Companion HealthCare) has announced their Bonus Bucks Program. Brokers will earn a bonus for each new BlueChoice fully-insured group sold for effective dates of October 1, 2005–February 15, 2006. For Bonus Bucks details contact your Marketing Representative.

Carolina Care Plan

Carolina Care Plan has announced new rates for their individual products, Carolina Direct and Carolina Direct HSA. The rates are for effective dates of October 1– December 31, 2005. For more information contact Trevor Bowers at 800-951-3033 or trevor@thecasongroup.com.

BCBS of SC

BlueCross BlueShield of South Carolina has revised their Personal Blue High Deductible Health Plan policy.

ROUTINE PHYSICAL EXAMS—are now covered. This includes well child exams and immunizations and OB-GYN exams at 100% when performed by a Preferred Blue network provider. This benefit is not subject to the deductible and has a \$300 limit per year.

PREVENTATIVE BENEFIT COVERAGE—Pap smears and prostate screenings are now covered at 100% with visit limitations when a Preferred Blue network provider is used. However, coverage is not available outside the network. This benefit is not subject to the deductible.

CARRIER SPOTLIGHT:

American Republic

American Republic Insurance Company is a financially strong insurance carrier, rated A– (Excellent) by AM Best and celebrates more than 75 years in business. AR manufactures competitively priced Major Medical and Medicare supplement insurance products. They offer:

- Ultra Care Preferred—robust benefits with Dr.'s office copays and a variety of deductibles
- Ultra Care Advantage- federally qualified, high deductible health plans to use with Health Savings Accounts.

American Republic Highlights:

- One year rate guarantee once approved
- Ability to pre-screen applicants before applying
- Ability to quote and enroll applicants online once appointed
- Medicare Supplements particularly strong in NC.
- Choice of networks including Medcost, PHCS, Premier and First Health (national)

Medicare Part D

Medicare Part D is an insurance option for people who use Medicare and pay high prices for their prescription drugs. Part D enrollees pay a monthly premium in addition to the monthly Part A and/or Part B premium they may already be paying. Low income enrollees may be able to pay less for similar benefits.

The annual amount of “out-of-pocket” expenses a person on Medicare will be required to spend on prescription drugs in 2006 is \$3,600 (unless that person qualifies for the low income subsidies). Out-of-pocket payments for deductibles, coinsurance and co-payments are applied to the out-of-pocket limit. After this \$3,600 limit is reached, the beneficiary pays the greater of \$2 for generic drugs, \$5 or 5% for brand name, whichever is greater. Payments for drugs not on the plans formulary do not count towards the OOP limit.

Eligibility

Anyone entitled to Part A and/or enrolled in Part B can enroll in this new benefit. Individuals who qualify for both Medicare and Medicaid—called “dual-eligibles” can also enroll in a Part D plan.

Enrollment

For eligible individuals there will be an open enrollment period beginning November 1, 2006 and lasting for 6 months. Those who enroll late in Part D and who do not have coverage equal to Part D (creditable coverage) will incur a late enrollment penalty of 1% per month for each month they are not enrolled. Those who enroll late in Part D but provide proof of creditable coverage won't be assessed a late enrollment penalty.

Making the Transition

All Part D plans are required to make arrangements for an appropriate transition process for new enrollees. This is to accommodate an individual who is currently on a specific drug regime.

Part D plans will consider filling a temporary, one-time transition supply of a medication to cover the immediate needs of someone while a request to maintain coverage is made. A 30 day supply may be reasonable for new enrollees who present a prescription for a drug that is not covered under their plan.

How to Enroll

You enroll by submitting an application to an approved Part D Sponsor. This application is used to verify the applicants eligibility, resources and income. Eligible individuals will receive information in the fall of 2005 about plans in their area. When the individual choose a plan, it's the responsibility of the plan provider to notify Medicare.

Important Dates to Remember

- **October 2005:** Beginning October 1, eligible recipients will receive information from Medicare about plan options in their area. Starting October 18, 2005, Part D plan comparisons are supposed to be available on www.medicare.gov.
- **November 15, 2005:** Open enrollment begins
- **May 15, 2006:** End of open enrollment
- **November 15, 2006:** Open enrollment period for 2007

Letter from Louie:

Let Us Find Out What We Can Do For You

You are one of about 3500 agents in multiple states that got this newsletter. Yes, we have collected over 14+ years of business a rather large agent mailing list. A large number of agents give us a chance to earn their business each year. So far this year, over 500 different agents have submitted a group case, an individual health app or an individual life app thru us.

That is why we have over 35 staff available to help with your questions, comments or business. We have a staff, well trained to respond to you and your needs. They are knowledgeable and quick. And we have reps to meet with you and your groups, sometimes in person, sometimes in a conference call. All of our reps have at least 2 years experience. Many of our staff have professional designations like MHP, CLU or RHU. Most all staff are studying for a designation if they don't have it already.

SO WHAT? You might say. Well, there are 3000 on our mailing list that haven't used us to place business. We want a chance to earn your business. If you get this letter and have never known how we work or who we really are, call me or ask for the Rep that handles your area. All we ask is A CHANCE TO EARN YOUR BUSINESS.

Now, I offer my opinion on a piece of legislation. Association Health Plans are a topic in congress. My opinion is that it will not pass in the near future, so I wouldn't get too worked up about it. This legislation is harmful to the state DOI system, and it has passed the House many times. It has yet to find enough support in the Senate, and NAHU continues to work against it. NAHU is a strong force in Washington, support them and help them to fight against it.

Food for Thought

Teacher, which is the greatest commandment? Jesus said to him, “‘You shall love the Lord your God with all your heart, with all your soul, and with all your mind.’ This is the first and greatest commandment. And the second is like it: ‘You shall love your neighbor as yourself.’ On these two commandments hang all the Law and the prophets.”

—Matthew 22:36-40

“Men must be governed by God, or they will be ruled by tyrants.”

—William Penn

“This is the greatest option in life: The privilege of giving your life to the highest and best or settling for the lowest and cheapest. Think of the men you know who have invested the best life has given them in that which has no significance in the light of eternity.”

—Richard Halverson

Have a special niche group you are looking for help with?

Check out the following points on our carriers!

CCP, STARMARK—

Allow management carve-outs on groups of over 50 eligible, with less than 50 managers being carved out.

CCP, CIGNA, STARMARK—

Allow 1099 EE's to be covered in certain situations.

STARMARK—

Only look back 4 years at Employee health history.

SHENANDOAH—

Will write Voluntary Dental for as few as 2 EE's.

BLUECHOICE—

No individual EE medical questions for groups of 25+ ELLIGIBLES. Most other Carriers require 25+ enrolled EE's.

SECURIAN—

Commissions = Flat 10% for 1st year and renewal.

SECURIAN—

Do not use SIC code when determining rates. Allows them to look great on white-collar groups.

WEST COAST LIFE—

Age of last birthday.

A Recent comment from a broker:

I just wanted to thank you for the newsletter. While I knew about Companion changing their name, I had sort of pushed that to the back of my mind. When I read the newsletter, I immediately sent my clients an e-mail letting them know about it. Thanks for helping me look good to my clients!

Mark Your Calendars!

NCAHU Symposium

March 1-3, 2006

High Point, NC

SCAHU Symposium

March 7 & 8, 2006

Columbia, SC

Congratulations Jesse and Gabe!

Jesse Pikus

Jesse was recently promoted to Business Manager. Previously, Jesse worked in our New Business Submissions department. In addition to managing our finances, Jesse will oversee the Licensing and Commissions and Proposal departments. Jesse recently earned his RHU, Registered Health Underwriter, designation.

Gabe Ricks

Gabe, Manager of New Business Submissions and Account Services, recently earned his RHU designation.

Welcome Lyndsey, Lander, Emily, Chris and Jodi!

Lyndsey Burt



Lyndsey has joined us as an Administrative Assistant; she recently relocated to Columbia, SC from Massachusetts. Lyndsey attended Springfield Community College and Covenant Bible College and previously was in the book binding industry.

Chris Hair



Chris joins us in our Account Services department. Chris is available to assist brokers on problems or questions regarding in-force group business. Chris attended Midlands Technical College and was previously employed in the banking industry.

Lander Cason



Lander joins us as a Renewal Representative. Lander previously was the Renewal Coordinator for BlueChoice HealthPlan (formerly Companion HealthCare). Lander is a graduate of Presbyterian College and Louie's son, William's brother.

Jodi Todd



Jodi joins The Cason Group as an Administrative Assistant. She is a graduate of the University of South Carolina and brings prior experience in the insurance field.

Emily Edgren



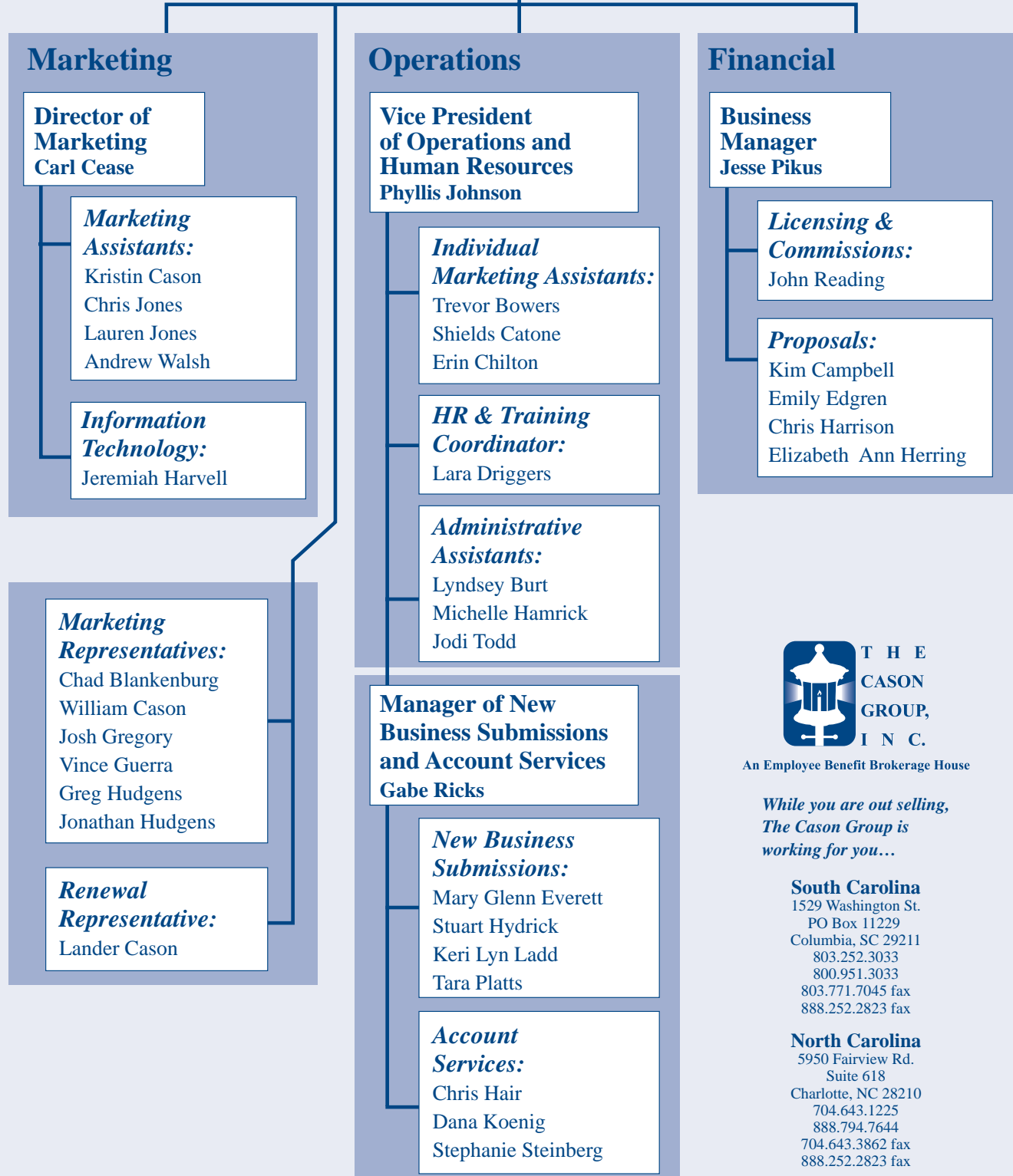
Emily joins The Cason Group as a Proposal Specialist. Emily is a graduate of the University of Kansas and brings previous experience in the medical field.

Staff Changes

As you can see from the above list of new employees, The Cason Group continues to grow to better serve our brokers. However, there can be some confusion—we now have three staff members named Chris! We recognize that it can be difficult for brokers to keep track of which staff person is in each area, so we have included the organizational chart on the opposite page.

Organizational Chart

Louie Cason, President



**T H E
CASON
GROUP,
I N C.**

An Employee Benefit Brokerage House

*While you are out selling,
The Cason Group is
working for you...*

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PRESORT
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COLUMBIA, SC

EYE!

The U.S. Office of Personnel Management has agreed to expand the availability of a major health insurance carrier's HSA plans into 46 new markets. These HSA plans will be available to 5.6 million eligible members of the Federal Employees Health Benefits Program in a total of 91 U.S. markets. This is a great indication of the increasing popularity of HSA programs.

source: Insurance Newscast 9/20/05

Our Carriers:

- AIG/American General
- Allied
- American Republic
- Blue Cross Blue Shield of SC (SC)
- BlueChoice HealthPlan (SC)
- Carolina Care Plan (SC)
- CIGNA
- Companion Life
- Greater Georgia Life
- Securian
- Shenandoah Life
- Starmark
- Trustmark
- Unicare
- USNow
- West Coast Life

Our Individual Products:

- Health
- Life
- Medicare Supplements

Our Group Products:

- Health
- Dental
- Life
- LTD
- STD
- Vision

*Information for agents only.
All information not applicable in all states.*

Tech Tip

Did you know?

If you're not fond of the way that Windows XP groups similar windows together into a single entry on the taskbar (a group of Internet Explorer windows, for example), you can restore the default taskbar behavior of previous versions of Windows very quickly. Simply right-click on an empty



area of the taskbar or start button and click 'properties.' Choose the 'taskbar' tab and uncheck the 'group similar taskbar buttons' option. This will give each window that you have open it's own space on the taskbar.

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