



United American — *Selling The Best Value*

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New rates are being announced for United American's Medicare Supplement plans and many more are expected. Even though these changes occur every year, it always seems to take Agents by surprise. But it shouldn't.

The rate of medical inflation each year essentially guarantees a change in Med-Supp premiums. As Agents, we must be able to explain to customers in a positive manner why this occurs. Below are some points Agents can bring up when talking to customers about their new premium prices.

- Rate changes mean UA's coverage is performing well for insureds. Federal law will not allow a rate change unless the company's loss ratio is proven to exceed the 65% minimum payout (for every dollar in premium paid, 65 cents must go back to the customer in the form of claims.) A company cannot just ask for more money to increase profits. UA will never ask for rate changes that are not justified by claims paid out.
- The first impulse of the client or Agent may be to find coverage with a competing company at a lower rate. This may not be a good solution. Over time, rates should equalize among the various companies. Many companies that offer cheaper prices at first, eventually increase their rates to avoid losing money — some companies have to leave the market altogether.
- Reassure your customers of UA's long term commitment to the Med-Supp market and to providing automatic, secure claims service.

It is also important to remember that the Agent is the main influence on which insurer the client selects — you must believe in the company you represent so your customers can too. Agents are better served by United American through service to the client — including great Med-Supp products with our "Automatic" Claims Filing service as well as added benefits like ACF Partners. Plus, Agents know with UA's company stability, their commissions will always be paid.

Don't underestimate the intelligence of the customer. They can better accept and understand truthful explanations of rate changes. Let them know with United American they're buying the best coverage at the right price.



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For more information about United American's health market, contact Bill or Jon at (972) 529-5085.