



FROM THE DESK OF:

**Gene Grimland**  
President,  
General Agency  
Marketing Division

*Gene Grimland*

# Sleeping Giant

UA's supplemental underage health portfolio can be characterized as a sleeping giant for our Independent Agents. The cause of this is that more small employers are finding it difficult or impossible to keep full Major Medical plans for themselves and/or their employees because of their high costs.

If a scaled back Major Medical plan is what the employer goes with to cut costs, then your client will need an appropriate UA plan to supplement the existing Major Medical coverage with another company.

Such supplemental underage health insurance coverage will be purchased by the individual to fill in the uncovered gaps in their reduced Major Medical plans through the employer.

While UA coverages are not Major Medical (and should never replace such coverages), these supplemental plans are more premium-stable than Major Medical because the benefits are limited and are scheduled benefits and, therefore,

not tied as closely to inflation. The UA plans are guaranteed renewable so they can't be cancelled unless the premiums are not paid on time by the Insureds.

Another source of sales for UA plans are folks who have been terminated from jobs (downsized) and no longer have employer health coverage or only have it until COBRA benefits run out. These folks need something to stand between themselves and the bear at the door waiting to devour their savings with health care expenses.

Because we have emphasized Medicare Supplement and Final Expense Life so much, this market has been somewhat overlooked. *UA News* therefore is devoting this issue to reminding our Agents how the plans work, how they can be used together, and how the SBR rider can be used to provide coverage for pre-existing conditions with some plans.

As with all UA coverages, underwriting is efficient and claims are paid promptly.



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