



*f*rom the desk of
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Cents and Sensibility

Health care coverage is the most important purchase a person 65 or older makes. Accumulated wealth and leisure time mean little if health is not maintained. Our nation's seniors know this. They also know that there is a large difference between price and value. They know that "cheap" seldom ever equates to value. "If it's too good to be true, it probably is." Unfortunately, many of our seniors have learned this the hard way. The HMO market has taught them that the long-term effects of purchasing a cheap policy can be devastating. The thousands of people who are disenrolled from HMOs each year learn the hard way. They will not get a rate increase ... they will get a letter of "good-bye." That has never happened to a United American Med-Supp policyholder. Careful analysis and conservative thinking prevent it from happening.

With Medicare Supplement insurance, when a rate increase is approved and implemented, it means the policy is working to provide necessary coverage. The government requires it. Federal Law will not allow companies to increase rates unless they can demonstrate that claims exceed a 65 percent loss ratio on Medicare Supplements. Simply put, the more the coverage costs, the more claims are being paid to the policyholders in the affected state and the more valuable that coverage is to those in that state.

United American is constantly analyzing the bottom line and asks for rate increases only when it is necessary, without considering competition. The stability this creates – along with service that is unmatched – allows UA to thrive while competitors die. We will not apologize for providing the most dependable and flexible coverage available. Customers are receiving trouble-free claims service and, because of this unparalleled service, are willing to pay a fair price for this coverage.

UA is committed to taking care of its customers and Agents. The only way to do this is to maintain a financially stable company that stands ready to help when the policyholders need us most. That is what has enabled UA to remain strong in this volatile market and why UA – with your help – will continue to grow as one of the nation's most reliable and trustworthy health insurance organizations.