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Willoughby Selected Vice President at Group Insurance Services

Cheryl Willoughby is the new vice president and leader of Group Insurance Services, Inc. (GIS), a subsidiary of BlueCross BlueShield of Tennessee. Jim Gray, Chief Marketing Officer of Commercial Business and Established Markets, announced Cheryl's promotion to her new position.

Cheryl joined BCBST in November of 1999 as manager of GIS. She works closely with the agency's carrier partners to develop new products and is responsible for managing the day-to-day operations for the individual, group and voluntary ancillary product lines and flexible benefits administration.

Prior to joining BCBST, Cheryl worked for more than 19 years at UnumProvident. During her tenure at UnumProvident, she held management positions in underwriting, corporate taxation, account management, employee benefits and marketing. Cheryl holds a B.S. degree in accounting from the University of Tennessee and has earned the Certified Flexible Compensation (CFCI) professional designation from the Employer Council on Flexible Compensation (ECFC).

Johnson Promoted to Operations Manager

Rhonda Johnson has been promoted to Operations Manager of Group Insurance Services, Inc. (GIS). She now manages the day-to-day operations for the individual, group and voluntary ancillary product lines and flexible benefits administration.

During her six years with Group Insurance Services, Johnson's primary focus has been in training and educating brokers and BCBST staff about GIS products. In addition, she has supervised the workflow of activities and coordinated the company's relationships with vendors, brokers, accounts and customers.

Prior to her arrival at GIS, she worked for more than 20 years at UnumProvident. She holds the designation of Health Insurance, Associate from the Health Insurance Association of American; Associate, Customer Service from the Life Office Management Association, Inc. and is a licensed insurance agent in the State of Tennessee.

Four Are Qualified for Nevis 2008, Who Will be Next?

Four agencies have qualified for the trip to Nevis and several others are not far away from reaching \$100K in new annualized USABLE premiums effective in 2007. **Congratulations to Strategic Employee Benefit Services, Benefits Consulting Services, Surber Insurance Agency and Richard Carman for surpassing this year's goal.**

The Top 10 Agencies by Production in 2007

1. Strategic Employee Benefit Services
2. Benefits Consulting Services
3. Surber Insurance Agency
4. Richard Carman
5. Bird & Isbell
6. The Assurance Center
7. Benefits, Inc.
8. Hamilton Insurance
9. Emil Messimer
10. Southern Insurance Specialists
(continued)

The Four Seasons resort will offer you the opportunity to bask in near-perfect weather, steps from the silken sand. Stretch out in comfort, from spacious guest rooms and suites to exclusive villa and estate home accommodations. Find tranquility in the award-winning spa. Or play golf amidst the dramatic views of one of the world's most scenic courses. This unspoiled island offers visitors the opportunity to enjoy the Caribbean, as it should be.

Just \$100,000 in annualized GIS/USABLE production in 2007 stands between you and a guest relaxing amid the swaying palm trees and calming beaches of the Caribbean. There's still plenty of time to reach your goal and top the qualification mark, which is based upon \$100K in new annualized USABLE premiums effective by Dec. 31 of this year.

GIS Announces Upcoming Product Changes and Enhancements

Group Insurance Services is continually striving to provide you with products and services to meet your customers' needs. It is our pleasure to announce a number of changes that will bring enhanced service, options and opportunities for you and your clients.

Symetra:

Select Benefits is a limited benefits medical policy that allows employers to offer routine health and life insurance to their employees while maintaining control of premium costs.

- Symetra now offers a 2-year rate guarantee with 15 percent participation exclusively on groups written through GIS
- Benefits can be offered to full-time, part-time, hourly, seasonal and temporary workers.

Worklife II is a new flexible premium Universal Life Insurance Product with a guaranteed death benefit to age 120.

- Modified Guaranteed Issue (MGI) available to employer groups with 100+ employees including 2 medical questions regarding information about disability, recent medical treatment, drug/alcohol counseling, driving and HIV.
- Simplified Issue (SI) available to employer groups with 50+ employees, applicants who exceed the MGI issue limits or applicants who have answered "YES" to any MGI questions.
- No medical exam required.

Companion Life:

Voluntary Dental is one of the fastest growing, most sought after benefits in today's marketplace.

Employers can choose from three plan options to meet any employee's needs or budget.

- Now offering a **five percent rate reduction** on new group quotes with 7/1/07 or later effective dates
- Participation requirement reduced to two enrolled employees

Voluntary Dental/Vision Combo allows employers to offer both benefits at a package rate. Employees enroll for one payroll deduction and have access to both dental and vision benefits.

- Available with five lives enrolled
- Reduced rate if sold as a combo
- Combined billing provides ease of administration

Voluntary Vision through Companion Life offers employees a wider selection of providers including J.C. Penney, Target, Sears, Lens Crafters and Pearl Vision Centers.

- Minimum participation requirement is 10 enrolled employees
- Multiple plan options from which to choose

USABLE Life:

Obtaining new business is always a priority, but maintaining that business is necessity. That's why GIS provides the opportunity for hands-on service to every group on an annual basis. In support of this philosophy, USABLE life has agreed to:

- A rare opportunity for open enrollment on Voluntary Life Insurance for employers agreeing to one-on-one enrollment
- Allow employees not currently enrolled in VGTL to apply for coverage up to Guaranteed Issue amount with no health questions.
- Allow employees currently enrolled in VGTL to apply for an additional \$10,000 up to the Guaranteed Issue amount with no health questions.

- Allow employers with significant increases in employee population to be reviewed for increased Guaranteed Issue amounts.
- Extend this unique offer through 6/1/08

Still not enough excitement for you? GIS and USAbLe are pleased to announce amazing sales opportunities and product enhancements for October 1, 2007 effective dates.

- True Group renewal rates can be reduced with at least a \$10K increase in coverage
- New & Existing groups with 25+ eligible employees can add two voluntary and/or individual products and their group life will be discounted by up to 10 percent.
- New & Existing groups with 25+ can add three or more voluntary or individual products and their group life and be discounted by up to 15 percent.
- 3-year rate guarantees available upon request on Group Life, STD and if possible, LTD. Renewal rates guaranteed for two years.
- **Value Added Services** – TRUE GROUP LIFE ONLY – Available with new sales or coverage upgrades
 - Online Will Preparation
 - Identity theft resources

Pre-Populated enrollment apps available for Voluntary products (does not include individual products)

SDSA to Drop Administrative Fee as Part of Premium Only Plan Administration Changes

Effective Sept. 1, 2007, Select Data Service Administrators, Inc. (SDSA) will change its administration process regarding premium only plans (POP) and eliminate the monthly administrative cost.

As part of the changes, SDSA will no longer track the monthly employee updates to premium and demographic information, but will offer you the option to select annual discrimination tests upon request. IRS guidelines state any Key Employee cannot receive more than 25 percent of the total non-taxable benefits under the plan. To ensure the plan stays in compliance, discrimination testing is required. The cost to administer the test or if you require a restatement, there will be a \$100 charge. SDSA will send a letter outlining the information they will need from you if you choose to have discrimination tests performed by them approximately 60 to 90 days prior to renewal date.

For more information, please contact SDSA at 1-800-434-8026 or your GIS representative.

Put Your GIS Regional Sales Consultant to Work for You

In addition to the assistance provided by your BlueCross BlueShield of Tennessee account manager, GIS sales consultants are available for customer presentations, enrollment meetings and more with no reductions in commissions to you. **Call your account sales executive, account manager or your GIS sales consultant any time you need help.**

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