

Anna Moorman Now Licensed as an Insurance Consultant in Maine



[Anna Moorman](#), a member of the benefits team at Allen Insurance and Financial specializing in individual health insurance and Medicare, is now a licensed life & health insurance consultant in Maine.

“Anna’s efforts demonstrate her deep commitment to continuing professional development,” said Mike Pierce, company president. “This commitment is important to all of our insurance divisions but it is especially so in the always-changing field of employee benefits.”

Moorman has been with Allen Insurance and Financial since 2012. She lives in Thomaston with her family.

The Value of Disability

Insurance to Employers and their Employees

[By Sherree Craig, CEBS](#)



Sherree L. Craig,
CEBS

Companies in Maine and across the country face the challenge of rewarding employees and this struggle rose to the surface significantly during the pandemic. Striking the balance between a workable company budget and the satisfaction of the company's human capital is critical.

One of the most affordable and valuable forms of financial protection for employees is disability insurance. Offering a disability plan emphasizes a company's commitment to the health and financial well-being of its workforce, providing employees with an income when recovering from an accident or an illness. An employee can recover peacefully without the burden of worrying where the next paycheck might be and allows them to place their focus on immediate medical needs.

In addition to being a deductible business expense, this offer could have an impact on the company's workers' compensation status. Once an employer sponsored disability plan is purchased, conversations with business insurance and accounting partners should take place.

Disability insurance is designed as short-term and/or long-term policies.

The short-term disability benefit is paid weekly. Pricing for the group plan is determined by the design of the contract and the group demographics (age, wages, industry). The following are some plan design considerations:

- How many days will the employee be disabled before the payments begin? One frequent plan design option is the first day following an accident and the eighth day following an illness. We see these go as high as two weeks, which would keep the costs exceptionally low, but could come at the expense of the employee's satisfaction.
- How long will the payments last? Options typically are 13 weeks or 26 weeks.
- What percentage of earnings will be replaced? Disability insurance does not normally cover full replacement. Insurance theory dictates that full replacement might encourage malingering – an incentive to remain disabled and not return to active capacity as soon as they are able.

Like the short-term disability, long-term disability policies are priced on the demographics of the company and design of the plan. The long-term disability benefit is paid monthly rather than weekly, and the elimination period (the length of time from the start of the disability until payment begins) can be dovetailed to start at the end of the short-term disability benefit. The benefit period may depend on the company size but

should be designed to last a minimum of five years or all the way to the normal social security retirement age.

A group disability package has the added advantages of group pricing and are free from medical underwriting, making the plan simple to establish and administer.

Curious to see how your benefits stack up against other employers in your industry and community? Principal insurance has a great benchmarking tool. <https://www.principal.com/businesses/compare-benefits>

[Principal Benefit Design Tool | Principal](#)

Understanding an HRA

A health reimbursement arrangement (HRA) is an employer-funded account that is designed to reimburse employees for qualified medical expenses that are paid for out-of-pocket. [Additional information is on this “Knox Your Benefits” PDF.](#)

President Biden Announces COVID-19 Vaccine Mandates for

Federal Employees and Large Employers

On Thursday, Sept. 9, 2021, President Joe Biden signed executive orders requiring federal workers and contractors to get vaccinated against COVID-19. Biden also directed the Occupational Safety and Health Administration (OSHA) to draft a new emergency rule requiring all businesses with 100 or more employees to ensure all of their workers are either tested for COVID-19 once a week or fully vaccinated. [This News Brief explains further.](#)

Individual Health Insurance Newsletter – June 2021

IRS Suspends Requirement to Repay Tax Credits

A premium tax credit or subsidy helps pay for health insurance coverage purchased through the Health Insurance Marketplace (www.healthcare.gov). Eligible people can choose to have all, some, or none of the estimated tax credit (subsidy) paid in advance directly to their insurance company on their behalf.

The American Rescue Plan Act of 2021 suspends the requirement that taxpayers repay their excess advance payments of the premium tax credit for tax year 2020. Excess APTC is the amount by which the taxpayer's advance payments of the tax credit exceed the premium tax credit they are in fact eligible for.

If you have questions on how this may impact you, we recommend you reach out to an accountant who understands the tax code and how the American Rescue Plan affects your tax filing

Health Care Sharing Ministries in the News Again

The Boston Globe reported on a woman who now carries \$75,000 in medical debt because her “health care sharing ministry,” OneShare, declined to pay for her double hip replacement. She decided to participate because of the cost of her health insurance premiums increased. What she didn’t realize is that the decreased costs meant decreased consumer protections.

Health care sharing ministries (HCSMs) are not health insurance.

They do not qualify as minimum essential coverage under the ACA, which means pre-existing conditions can be excluded. What’s more, the companies do not have the same legal obligations to its members. Members, who typically share a religious affiliation, do pay a monthly fee, but the fee is not a premium. It is a contribution to a shared fund to pay medical expenses of the members. Some people, have good experiences, while others do not.

In Maine, HCSMs are expressly exempt from the insurance code. Consequently, members have little or no recourse if things with the HCSM go sour. The burden is on consumers to understand precisely what they are “buying” when they participate.

Midcoast Senior Expo

We’re excited to announce that we will have a table at the Midcoast Successful Aging Expo, scheduled for June 15 from 9 a.m. to 2 p.m. at the Rockland Elk’s Club. This is our first in person event in more than a year and we’re looking forward to connecting with our clients and community. This event is free and open to the public.

Medicare Newsletter – June 2021

Medicare & Medicaid Eligible

Have you recently qualified for Medicaid while also on Medicare? Did you know there is a set of special products that are available just for you?

These plans are intended for persons who are eligible for both Medicare and Medicaid and are called “dual eligible.” These dual eligible plans provide coverage above and beyond Medicare, including vision, dental, an over the counter allowance, transportation services, and many value added extras, typically at no cost to the member.

Eligibility requirements for Medicaid are not as straightforward as are the requirements for Medicare. The big driver here is income and asset limits which determine if you’re eligible and if so, what level of Medicaid you qualify for.

If you think you may be eligible for Medicaid, you’ll need to contact your local Medicaid agency.

Top 10 Social Security Myths Exposed

Given Social Security’s importance, concerns about its current and future state are understandable and widespread. Some of those worries, and the many changes to the program, have given rise to misconceptions about how it is funded and how it works.

Here are 10 of the most stubborn Social Security myths:

- 1) Social Security is going broke
- 2) The Social Security retirement age is 65
- 3) The annual COLA is guaranteed

- 4) Members of Congress don't pay into Social Security
- 5) The government raids Social Security to pay for other programs
- 6) Undocumented immigrants drain Social Security
- 7) Social Security is like a retirement savings account
- 8) You don't pay taxes on Social Security benefits
- 9) An ex-spouse's benefits come out of your own
- 10) You lose benefits permanently if you keep working

[You can read the truth behind these myths.](#)

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Know Your Benefits: An Employee's Guide to Health Plans

Benefit plans are sometimes confusing and employees might be struggling to understand what is offered to them. The [Allen Insurance benefits division](#) has shared this handy chart with definitions and explanations with our clients. [Click for a PDF.](#)

Benefits and Me Newsletter – May 2021

This month's Benefits and Me newsletter, shared to our clients by the [Allen Insurance benefits division](#) discusses reimbursable PPE expenses, tips for finding medical information and common health insurance terms.

The Internal Revenue Service (IRS) recently announced that amounts paid for personal protective equipment (PPE)—such as masks, hand sanitizer and sanitizing wipes—used for the primary purpose of preventing the spread of COVID-19 are deductible expenses for medical care. Because these amounts are expenses for medical care, the amounts paid for PPE are also eligible to be paid or reimbursed under any of the following:

- Health flexible spending arrangements (FSAs)
- Archer medical savings accounts (Archer MSAs)
- Health reimbursement arrangements (HRAs)
- Health savings accounts (HSAs)

However, if an amount is paid or reimbursed under a Health FSA, Archer MSA, HRA, HSA or any other health plan, it will not be considered a deductible medical expense.

[Click for PDF.](#)

Health Care Reform: Pay or Play Penalty – Special Rules for Educational Organizations

On Feb. 12, 2014, the IRS published regulations on ACA's employer penalty provisions, including methods for identifying full-time employees for penalty purposes. This ACA Overview summarizes the final regulations' special rules for identifying full-time employees of educational organizations. [Read more on this PDF.](#)

How to Handle a Surprise Medical Bill

If you've ever received a surprise medical bill, you're not alone. According to a survey conducted by NORC at the University of Chicago, over half of American adults have been surprised by a bill that they had assumed would be covered by their medical insurance. Moreover, only 1 in 5 of these surprise bills were the result of a patient actively seeking out-of-network care. [This handout](#) will explain balance billing, how to handle a surprise medical bill and offer tips on how to avoid receiving one in the future.