



2017 Legislative & Working Groups Summit

RECAP

#LWGS2017 BY THE NUMBERS

270

**TOTAL
ATTENDEES**

125

**COLLABORATIVE
SESSION
PARTICIPANTS**

104

**MEMBERS ON
THE HILL**

150

**NUMBER OF
HILL VISITS**

75

**NEW/FIRST-TIME
ATTENDEES**

EXECUTIVE SUMMARY

A record 270 Council member executives and operational heads of member firms gathered in Washington for the annual Legislative & Working Groups Summit. Five of The Council's seven Working Groups, as well as the Council of Employee Benefits Executives (CEBE) Advisory Board also met. The first two days of the meeting included individual working group meetings and a joint working group session, attended by 125 participants. The joint session offered members the opportunity to work in cross functional teams promoting collaborative decision making and leadership agility.

We haven't had a Summit this timely since passage of the ACA in 2010. Our Hill meetings this year directly coincided with deliberations to develop a coherent alternative to the Affordable Care Act. Many of these conversations were with Congressional offices that weren't aware of the threat facing employer-provided insurance and the potential for new tax increases. We can confidently report that our efforts during the Legislative Summit moved the dial on this issue. We still have our work cut out for us, and there's a long way to go to ensure that the tax exclusion for employee benefits continues, but our advocacy efforts were significantly bolstered by these meetings.



THE BUZZ

- Uncertainty....here we go again. A new administration coupled with very little information surrounding its vision and goals for issues impacting our industry creates an environment of ambiguity much like the passage of the ACA. Brokers are once again facing legislative and regulatory hurdles, and must remain focused on what lies ahead.
- Members are continuing to evolve and reshape business models with a critical eye on operations. There is an emphasis on evaluating how operational and service teams are leveraged to support sales goals and interact with clients.
- Firms are investing in and focusing on brand distinction to generate new business, attract top talent and strengthen the customer experience.



OUR DAY ON CAPITOL HILL

The Legislative Summit is our most visible and impactful day in Washington each year, and the power of our collective voice is critical to advancing our advocacy efforts. More than 100 attendees made their way to Capitol Hill forming a uniform voice to educate lawmakers on our most pressing issues. They participated in about 150 meetings with senators, representatives and legislative staff, including House and Senate leadership on both sides of the aisle.





OUR AGENDA

- Preservation of the tax treatment of employer-sponsored health insurance
- Reauthorization of the National Flood Insurance Program (NFIP)
- Exclusion of property/casualty insurance from regulations under the Foreign Accounts Tax Compliance Act (FATCA)

Download PDFs

- ▶ Download the ESI one-sheeter
- ▶ Download the ACA infographic
- ▶ Download the NFIP one-sheeter
- ▶ Download the FATCA one-sheeter

2017 SPEAKERS

- **Sen. John Thune**, R-N.D., Senate Republican Leadership
- **Sen. Cory Gardner**, R-Colo., National Republican Senatorial Committee Chair
- **Rep. Kyrsten Sinema**, D-Ariz., House Financial Services Committee
- **Rep. Steve Scalise**, R-La., House Majority Whip
- **Sen. Heidi Heitkamp**, D-N.D., Senate Banking Committee
- **Sen. Lindsey Graham**, R-S.C., Fmr. Presidential Candidate
- **Charlie Cook**, National Journal, Political Analyst

WORKING GROUP COLLABORATION

THE WAR ROOM: SOLVING REAL TIME CHALLENGES THAT BROKERAGES FACE EVERY DAY

Working group participants and executive-level attendees engaged in an interactive computer simulation facilitated by PriSim®, an industry leader in customized, computerized business simulation games, management training and leadership training. Thinking in real time, cross-discipline teams of 6-8 responded to real life challenges that required the expertise of everyone on the team in order to formulate “winning” decisions for their virtual brokerage firm. The simulation gave teams an opportunity to integrate around the goals of the business strategy and test their leadership agility.

The Council Leadership Academy provides leadership development opportunities through experiential learning, one of the most effective ways to absorb and retain information. *The War Room* collaborative session mirrored the Leadership Academy's Broker Smackdown program, which utilizes experiential learning. Smackdown is a 2.5 day workshop that challenges up-and-coming leaders to run a simulated brokerage that competes in a virtual marketplace.



Contact The Council's Elizabeth McDaid at elizabeth.mcdaid@ciab.com for more information about Broker Smackdown or any of the Leadership Academy programs, and get your team involved.

Group Collaboration Takeaway

Diversity in perspectives and teamwork from operational heads on major issues facing brokerages build highly effective teams. This alignment creates a stronger overall team and organizational strategy. It also creates firm ambassadors out of your employees.



PREVAILING THEMES FROM OUR WORKING GROUPS

CLAIMS & RISK MANAGEMENT WORKING GROUP



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PREVAILING THEMES

- Quantifying the value of risk and claims services is crucial to the client partnership and internal teams. Provide executive briefings to demonstrate value to clients and build staffing models to drive growth internally.
- Hiring is the most important decision you make: the right people create an organization's foundation. Intentionally build your brand and culture to organically attract top talent and do the work up front with personality/compatibility testing. Use the rule of three: interview a minimum of three candidates per position, by at least three people at least three separate times.
- Build cross-functional teams to facilitate a better understanding and integration between sales and operations, which encourages an increase in cross and up-selling.
- When assessing cyber risk, an organization should aim to have 80 percent of best practices in place.

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HR WORKING GROUP



Elizabeth McDaid
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PREVAILING THEME

Attracting new talent and thoughtfully developing current talent, continues to be a top concern for most firms. It is more important than ever for the HR professional to be a strategic business partner in a fast-paced, growing organization. It was agreed that strong leadership skills are essential to the process

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LEGAL COUNSEL WORKING GROUP



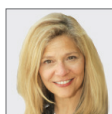
John Fielding
General Counsel
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PREVAILING THEME

There's a lot of talk about changes—repealing and replacing the ACA, reducing regulations, creating a more industry friendly Washington. But there's not much in specifics at this point to really sink our teeth into on the matters that are most important to us. There will be continued communication with members about legislative and regulatory changes, seeking input as needed.

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MARKETING & COMMUNICATIONS WORKING GROUP



Susan Rushford
SVP, Marketing & Communications
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PREVAILING THEMES

- It's critical for marketers to stay on top of and tap into changing customer sentiments and behavior trends. These shifts are essential in helping us to refine our messages and engage existing clients and prospects. Marketing can play a pivotal role in driving revenue and elevating the customer experience.
- Managing marketing initiatives through metrics as well as validated customer insights can increase lead generation and better align your marketing goals with your business strategy.
- Your employees can be strong influencers and among the most credible voices for your organization. Focus on building your brand internally and making them part of your strategic initiatives.

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CIO WORKING GROUP



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PREVAILING THEME

We all want to get to a better place with data but there are a lot of hurdles and most of them aren't very sexy. Lackluster internal systems, a lack of useful standards for communicating with carriers and a laissez fair approach to client servicing make the starting line unclear. The result? We have some house-cleaning to do. Get out of the hardware and IT business. Move it all to the cloud and change the focus of IT from hardware to business enablement. Take the time to re-think the way you approach servicing. Then start educating your firm on the world of analytics. Analytics isn't a product, it's a capability and your agency needs it now.

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CEBE HIGHLIGHTS



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THE COUNCIL'S ACA-RELATED ADVOCACY AGENDA

In addition to The Council's top legislative priority—to preserve the tax treatment of employer-sponsored health insurance and oppose any assault to it—the Council of Employee Benefits Executives (CEBE) Advisory Board discussed the many employer-focused “fixes” that are currently on the table and how they might shape or reshape The Council's policy agenda under the new administration.

Regarding employer-focused statutory fixes, **The Council seeks: repeal of the Cadillac Tax, elimination of the Medical Loss Ratio, removal of EEOC authority**

over wellness programs, elimination or modification of non-discrimination provisions and HSA expansion. Addressing stop loss insurance issues for small businesses and promoting a national benchmark plan as an alternative to interstate sales, are also on The Council's agenda.

Regarding regulatory relief under the ACA executive order, CEBE reviewed *What if?* scenarios regarding The Council's priorities. Those include the non-enforcement of employer reporting obligations, no expansion of Form 5500 reporting for small employers (no expansion of the reporting scope in general), non-enforcement of various taxes and fees that will increase the price of employer plans and HSA rule simplification.

With respect to The Council's position on the individual market, the advisory board agreed to rally around the message,

“Do not do anything to fix the individual market that may destabilize the functioning employer system.”

Consensus emerged that eligibility for individual tax credits (included in the GOP proposals) do need to be tied to employer offers of coverage to best avert adverse selection issues.

There was also consensus that lifetime limits and other requirements under the ACA, which require a broadening of coverage, are making plans too expensive for hosts of people. CEBE discussed the details of a slimmed down plan with lower deductibles which would help individuals access care.

Next Steps

While brokers are uniquely situated between healthcare consumers, employers, payers and providers, they remain an underleveraged resource. To address this, The Council is setting up a subgroup of CEBE to act as a blue-ribbon commission on the true drivers of cost and affordable healthcare coverage in 2017.

2017 COUNCILPAC EFFORTS UNDERWAY

Educating Members of Congress on key industry issues is an essential part of our advocacy team's job. Contributions to CouncilPAC allow The Council to support legislators who can champion our causes, increase opportunities for us to be in front of decision makers on committees of jurisdiction over our industry issues, and allow us to advance our agenda.

CouncilPAC raised a record **\$1,250,000 in 2016 from 2,253 individuals and 107 firms**, elevating it to the position of top political action committee in the insurance brokerage industry. Because of its strength, The Council's government affairs team has had great opportunities to support lawmakers and candidates who have been proven champions on our issues, and we look forward to solidifying these relationships in the new Administration and Congress.



HELP US SPREAD THE WORD

This year, **CouncilPAC's goal is to increase participation to 120 firms.** Of the nearly 170 eligible firms, 107 participate in CouncilPAC giving and 88 percent of those contributions come from 40 firms. The Council is updating materials for member firms to utilize in their organizations to educate and engage their employees and clients as we gear up for what is sure to be a challenging and exciting year in Washington.

Questions about CouncilPAC?



Brittany Thune Lindberg
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PARTICIPATE WITH A PURPOSE IN 2017

Get your team involved by joining us at our [2017 meetings and events](#). Also, save the date for our next **Legislative & Working Groups Summit, Monday, Feb. 4 – Thursday, Feb. 8, 2018, in Washington, D.C.**

