

## Errors & Omissions Insurance for Agents of Great Plains Annuity & Life Marketing

### Program Highlights

- ★ **NEW: \$1M/\$3M rates!**
- ★ **Reduced rate for newly licensed agents (licensed less than 1 year)**
  - \$1M/\$1M limit option only
  - \$34.17 on monthly installments OR
  - \$395 single annual payment
- ★ Three limits of liability:
  - \$1,000,000 per claim / \$1,000,000 annual aggregate
  - \$1,000,000 per claim / \$2,000,000 annual aggregate
  - \$1,000,000 per claim / \$3,000,000 annual aggregate
- ★ Preferred risk underwriting
- ★ Pay in full or choose monthly payments via credit card or electronic funds transfer (EFT)
- ★ Prior acts coverage back to first date of continuous E&O coverage
- ★ Defense costs are provided and are included within the limits of liability
- ★ \$500 deductible for life, accident, health, LTC, Medicare Advantage and Medicare Supplement
- ★ \$2,500 deductible for disability insurance and indexed & fixed annuities
- ★ \$5,000 deductible for all other claims (e.g. variable annuities and mutual funds)
- ★ Coverage available for life, accident and health, LTC, Medicare, and managed health care organizations as well as optional coverage for annuities, mutual funds, variable annuities, variable insurance, disability, and 24-hour care
- ★ Provides coverage for your administrative, clerical and support personnel while they are acting on your behalf
- ★ Provides coverage for any corporation, partnership or other business entity that is owned or controlled by an Agent, General Agent or Registered Representative
- ★ Coverage under this program is offered on a claims made basis. The policy will only cover claims first made against the Insured and reported to the Insurer during the certificate period. The agent must not have had knowledge of the claim or circumstances likely to result in a claim at the effective date of coverage.

### Program Eligibility

- ★ You must be actively affiliated with Great Plains Annuity & Life Marketing at the time of enrollment
- ★ If you are no longer affiliated with Great Plains Annuity & Life Marketing during the policy period, coverage for any new business activities ceases immediately as of your termination date. You will be covered under a one year Automatic Extended Reporting Period beginning on the date of termination and terminating twelve months thereafter. The Extended Reporting Period applies to Wrongful Acts (I) committed after your Prior Acts date, (II) committed before your termination date, (III) which are Wrongful Acts otherwise covered under the terms and conditions of this policy.

### Top Causes of Loss

- ★ Misrepresentation of coverage under health policy
- ★ Waiting period for short term disability benefits
- ★ Availability of coverage for pre-existing condition
- ★ Discrepancies in application process for life and health policies
- ★ Guaranteed Coverage (client allegedly led to believe that coverage guaranteed if application process completed)
- ★ Delay in application process (claim made before coverage bound)
- ★ Misrepresentation of benefits or policy provisions on a disability income policy

### Program Administrator

#### Gallagher MGA

For complete policy details, please visit the Gallagher MGA website. For comments or questions regarding this E&O program, please call a Gallagher MGA Representative.

#### Toll-Free: (877) 524-0265

Hours of Operation:  
Monday – Thursday: 8 am to 6 pm ET.  
Friday: 8 am to 5 pm ET.

### Program Underwriter

CNA Insurance Company — A.M. Best: A+  
40 Wall Street, New York, NY 10005



### Coverage Options & Rates

Limits	Single Pay	Down Payment*	Monthly Payment
<b>COVERAGE OPTION A:</b> Life, Accident, Health, LTC, including Medicare Advantage and Medicare Supplement			
<b>Newly Licensed Agents</b>			
<b>\$1M / \$1M</b>	\$395.00	\$79.17	\$34.17
<b>Agents</b>			
<b>\$1M / \$1M</b>	\$445.00	\$83.37	\$38.33
<b>\$1M / \$2M</b>	\$470.00	\$85.42	\$40.42
<b>\$1M / \$3M</b>	\$485.00	\$86.67	\$41.67
<b>COVERAGE OPTION B:</b> Life, Accident, Health, LTC, including Medicare Advantage and Medicare Supplement, PLUS Fixed Annuities and Indexed Annuities			
<b>Newly Licensed Agents</b>			
<b>\$1M / \$1M</b>	\$470.00	\$85.42	\$40.42
<b>Agents</b>			
<b>\$1M / \$1M</b>	\$520.00	\$89.62	\$44.58
<b>\$1M / \$2M</b>	\$550.00	\$92.12	\$47.08
<b>\$1M / \$3M</b>	\$570.00	\$93.75	\$48.75
<b>COVERAGE OPTION C:</b> Life, Accident, Health, LTC, including Medicare Advantage and Medicare Supplement, PLUS Fixed and Indexed Annuities, Mutual Funds & Variable Products			
<b>Newly Licensed Agents</b>			
<b>\$1M / \$1M</b>	\$575.00	\$98.75	\$48.75
<b>Agents</b>			
<b>\$1M / \$1M</b>	\$625.00	\$102.92	\$52.92
<b>\$1M / \$2M</b>	\$660.00	\$105.87	\$55.83
<b>\$1M / \$3M</b>	\$685.00	\$107.92	\$57.92

\*Down payment refers to monthly payment option. Price includes one month's premium, applicable administrative fees and state taxes. Disability and 24-Hour Care Coverage are not included in pricing but are available for purchase. Down payments will be processed immediately; monthly deductions as shown above will begin the first business day of the month after enrollment effective date. Monthly payment option includes a \$5.00 / monthly collection fee.

 **APPLY ONLINE:**  
[www.mga-eo.com/gpa](http://www.mga-eo.com/gpa)



# Errors & Omissions Insurance Program

## How Insurance Agents and Brokers are Dealing with the New Health Insurance Exchanges

by Chris Hidalgo

With the health insurance marketplace and state-run marketplaces having issues with their websites since launching on October 1, 2013, brokers are seeing this as an opportunity to make a profit. The Patient Protection and Affordable Care Act (PPACA), brokers say, may help people afford health insurance but it can't really help them use it.

The Obama administration did enlist a number of online brokers to help sell new health plans under PPACA, but those sites have been set aside for now while the feds sort out their own glitch-filled website, HealthCare.gov. The Web brokers say the Centers for Medicare and Medicaid Services (CMS) didn't act fast enough to allow them to integrate their websites with the IT systems supporting the federal insurance marketplaces.

In the meantime, the Web brokers have announced private-sector partnerships, such as tax preparation company Jackson Hewitt working with Getinsured and Walgreens directing customers with coverage questions to GoHealth.

Other agents and brokers are taking it upon themselves to create look-alike websites that replicate the state-run ones. For example, a state-licensed broker in suburban Seattle bought the domain name washingtonhealthplanfinder.org which is similar to Washington's official marketplace, wahealthplanfinder.org.

But state regulators have told agents to change their websites because they believe it will mislead consumers into thinking they were the official marketplaces. Some states have even sent a cease-and-desist letter to get the sites taken down.

Susan Johnson, the Northwest regional director for the U.S. Department of Health and Human Services, said while some brokers are passionate about helping, others are seeking to take advantage. "You don't want to go to the wrong portal," Johnson said.

The National Association of Insurance Commissioners recently issued an alert on the potential for scams related to the marketplaces, especially unsolicited calls asking for personal information.

Not all insurance agents are licensed to sell insurance on the exchanges. Buying a policy from one of them could leave consumers without the tax subsidies that make health insurance affordable. Consumers have been told to check online whether a broker or agent is licensed by the state department where they work. Some states that operate their own exchanges plan to identify marketplace-certified brokers, but that has not yet happened in all states.

For those who are not creating their own marketplaces, there is both caution and optimism for PPACA. There is a high possibility of losing a large number of clients who will go online and the insurance industry getting hurt because of that. Some brokers are feeling pressure to add customers with the commissions they earn dwindling as the law rolls out. On the other hand, the complexities of the marketplaces and spreading the word that subsidized health insurance is available could make brokers far more valuable.

"Enrollment is a really small piece of the puzzle," said Matthew Roy, president of Blue Ocean Benefits and Consulting in Red Bank, NJ. "It's not just picking a plan, it's why wasn't my MRI approved. We navigate that maze for them."

The Web brokers are also remaining positive and are counting on new business from their partnerships with CMS.

"These government exchanges will work...there are no ifs and buts about it," said eHealthInsurance CEO Gary Lauer. "The real question is how well they work and how effective are they going to be."

## 10 Ways to Prevent an E&O Claim from Happening

by Chris Hidalgo

As a life & health agent, it is important to know your customer and know the process that you plan to enroll your customer. Is it a worksite enrollment, a visit to a home, direct mail or a call center lead? Each potential enrollment situation has its own set of criteria and potential E&O exposures.

Here are 10 tips for keeping you — and your business — safe from a claim.

1. Always document the outcomes of key client conversations, decisions made and coverages declined. No client interaction is irrelevant. Document every call or conversation no matter how inconsequential the subject matter.
2. Understand your customer, anticipate questions, have literature available and be patient.
3. Stay current on regulatory requirements by continuing to earn appropriate designations and attending professional development courses.
4. Practice full disclosure and be totally up front about your track record, business practices, and affiliated advisors and companies.
5. Assess your client's risk tolerance. Take the time to fully understand the person's situation. Uncover and document all relevant facts.
6. Send a written confirmation with a copy of the insured's application. Be sure your customer knows what they purchased.
7. Make sure clients understand what their product covers and doesn't cover, as well as all moving parts, fees and expenses, and any underlying risk and guarantees. Include product brochures if possible.
8. Don't generalize what the product offers. Avoid using common statements like, "This policy is just as good as the old one."
9. Discuss payment terms: monthly, quarterly, annual. Make sure your customer knows when to expect the payment to be processed.
10. If a client is unhappy with you, do your best to promptly resolve their complaint before it turns into a regulator sanction or lawsuit.

Administered by:



ARTHUR J. GALLAGHER & CO.

**(877) 524-0265**

**Mon – Thurs 8 AM to 6 PM ET • Friday 8 AM to 5 PM ET  
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**Trusted National Program Broker & Administrator Since 1989**