



# Daily News

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SAN FRANCISCO, CALIFORNIA

## Leonard Schaeffer Receives The Gordon Award

By Steve Piontek

■ Citing his "profound and singular impact on America's health care system for over three decades," NAHU bestowed the Harold R. Gordon Memorial Award on Leonard Schaeffer, former CEO of WellPoint.

Schaeffer was out of the country and videotaped his acceptance message, which was played at the Gordon Award dinner last night.

Alan S. Katz, former NAHU president and 2003 Gordon Award recipient, accepted the award on Schaeffer's behalf.

Janet Trautwein, NAHU CEO and executive vice president, who announced Schaeffer as the award recipient, said, "A central component of his overall strategy acknowledged independent agents and brokers as crucial partners in serving clients."

"He insisted the company embrace and support agents," Trautwein said.

"Leading by example, he ensured that senior management met personally with agents."

With this attitude, she said, "Agent support became a key element of the company's culture, a tradition that continued throughout his tenure." This was evidenced, Trautwein continued, by "ground-breaking agent-support tools such as AgentConnect and educational programs like the WellPoint Agent Expo."

Recalling Schaeffer's other achievements, Trautwein said, "He created an environment that encouraged dozens of WellPoint associates to assume leadership roles at the local, state and national levels of

NAHU and other professional associations."

Through his actions and leadership, Schaeffer "demonstrated how an effective partnership with independent agents is key to a company's ability to reach out to consumers and provide them with affordable coverage," Trautwein continued.

At WellPoint, Trautwein said, Schaeffer "displayed a unique vision for health care financing and demonstrated the skills required to make his unorthodox approach successful. His strategy was simple yet



Leonard Schaeffer

remarkably successful: Develop products customers need; take them to the market effectively; execute the basics of the business exceptionally well; and honor commitments."

Leonard Schaeffer is a worthy recipient of the Gordon Award, Trautwein concluded, because few individuals have contributed as much to the development of America's health care system and few health plan leaders have been more dedicated to the success of independent agents and brokers. ▲

## CEOs Say The Health Care System Needs To Change

By Linda Koco

■ "Consumers actually matter, and we need to fix the health care system." With those words, Michael B. McAllister, president and CEO of Humana, Louisville, Ky., kicked off a panel discussion here.

During the panel, three CEOs vetted frank viewpoints on the future of health care in the United States.

McAllister repeatedly advocated for changes in the area of costs, consumers, quality, alignment with transparency, and guidance (for consumers). "Employers have to step up to the plate," he added, explaining that the health care payers can't make the

needed changes themselves.

"I believe, absolutely, that we have to go to consumer-driven health plans," McAllister asserted. He said it is a "myth" that people can't make health care decisions themselves under such plans. If they have price and quality infor-



mation at the time they are making the decision and a structure supporting that, they will "find a way to get the right value."

Dr Emily Dix, director of product development for American Healthways, Tupelo, Miss., said health care products need a holistic perspective, and should help people to make behavioral changes that improve their health. For example, Dix suggested that health information be delivered through all available technologies—not just

online but also via cell phones, satellite television, and handheld devices.

For health savings accounts to be effective, people need to know how to integrate good health care information. Employers can help, too, she said, for instance by offering smoking cessation and walking programs at lunchtime.

Donald G. Hamm Jr., president and CEO of Assurant Health, Milwaukee, Wis., termed the current era as a "revolution" in delivery of health care. The managed care world is passing and change is in the air, he said. "The system is broke, complex and too expensive, and there is tremendous variation in quality."

A strong advocate of HSAs, Hamm contended the products are the front line of protecting private health care in this country today. Over 3 million people have HSAs today, he added, and by 2010, many estimates predict 40% of Americans will have them. ▲

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