

Discount Cards Offer Access To Health Benefits

BY MARK V. MERTEL

AS HEALTH CARE COSTS CONTINUE ESCALATING, millions are left to wonder how they can afford the high cost of visiting a physician, buying prescription drugs or obtaining any of the health care services they so desperately need. Their numbers are large and growing—totaling 48 million without health insurance in 2004, according to the U.S. Census Bureau.

Many agents and brokers can help fill part of this huge void by offering employers a relatively recent noninsurance product—the health care discount card. These cards can be offered to employees and dependents, including part-time workers, as well as to any individuals without health insurance.

For agents and brokers, a health care discount card program offers a cost-effective answer that can be tailored to the needs of the individual, with no eligibility requirements.

The discount card company furnishes members with a personalized card listing the type of discounts provided. Because all discounts are fulfilled at the time of service, the transactions are straightforward and require minimal after-sale service by agents.

And because discount cards are easy to understand, it is not long before producers who decide to offer these products are ready to make convincing sales presentations to prospective plan sponsors.

Health care discount card program members typically provide discounts similar to preferred provider organizations (commonly 25% to 50%), covering such services as physician and hospital charges, prescriptions, and dental and vision.

Typical examples of monthly cardholder prices: \$7.95 for pharmacy benefits; \$9.48 for dental and vision benefits; and \$29.95 for a full offering of all available benefits.

Prospective plan sponsors also will be drawn to the program's ability to increase employee morale, cut turnover and be of significant help in employee recruitment.

For producers, health discount cards offer significant additional compensation. And, though relatively new, these programs already have showed strong sales growth.

In addition to current clients and prospects, agents and brokers will discover many other prime candidates for health discount card coverage, including associations and clubs, restaurants, lodging companies, and construction and maintenance contractors.

Health care discount card program members typically provide discounts similar to PPOs



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It's an opportunity for agents and brokers to offer a benefit that will earn the appreciation of many of those for whom health care insurance is out of reach. ■