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Transparency

The media has concluded that the legacy of Alan Greenspan retiring from the Federal Reserve is best described by the word "transparency." Clearly no one is fond of muddy water. It appears that the ability to see the problem, explain the problem in an accessible manner, and take specific action to solve the problem remains an acknowledged path to progress, rationality and stability.

The term transparency has also crept into the debate about the future of long term care insurance. If only the answer were as simple as a modern sanitary water treatment plant. However, we do have great reason to celebrate. For the first time since OBRA 93, we finally have definitive reform coming from Washington—the Deficit Reduction Act of 2006 passed in early February. Apparently someone did understand the cause of the cloudy, backed-up water flow after all.

Americans understand the finite nature of their journey. They do understand the likelihood of longevity. They do understand the need for adequate retirement planning. They do understand that it is best to take personal responsibility for their own financial futures.

We now have a blueprint for meaningful reform plastered in neon letters against a clear night sky. Most importantly, we have rededicated ourselves to tightening down the screws on Medicaid planning abuse.

Medicaid is for the poor: *period!* Forgive me for reiterating the obvious again; as the certainty of the risk rises, the necessity of managing the risk also rises. We can and will sell more insurance. The battle is long

from over. Those who profit from plotting premeditated financial murder in order to qualify for welfare will not give up so easily. Hopefully this time we have seized the high ground and they will be fighting a losing, uphill battle.

We have also unleashed the power of the marketplace. We have nationalized the originally experimental partnership plans.

This process will contribute to focusing the risk at the beginning of the claim. All planners, consumers and agents alike will now be given a transparent crystal-clear choice. A dollar-for-dollar, fair, even-up trade: *insurance protection equal to asset protection*. Double dip the risk or drown in it! Some insurance *is* better than *no* insurance.

We now have the tools, and we have an architect's precise rendition of a new potential. What we have left is a lot of work. Transparency does not end with a blueprint. We are still left with those external environmental concerns that created the need for a reinforced and strengthened framework in the first place. Transparency also refers to our basic understanding of the nature and consistency of the building materials. National partnership plans will contribute to smaller policies built to address the front end of the risk. They will enhance and reinforce our perception of the immediacy of the risk and the benefit of the insurance.

Reduced leveraged coverage will, by definition, answer some of the concerns about simplification. It will also help with concerns about rising costs. What remains are those issues that have always plagued

us. The hardest visualization remains our perception and acceptance of the far distant horizon. Unless you have had direct personal experience, the distance to the claims remains for many shrouded in the mists. The view as to the best course of

action remains obstructed by the continually expanding abundance of the products' moving parts.

I'm thinking a simple durable red-wood cabin on a hill, not a Gothic, ornate "McMansion" in a gated community. I'm

thinking we need new building materials to go with our vision of what must be built.

Regardless, I'm excited. Alas, we haven't fallen into the legendary springs of the "Fountain of Youth," but we do seem to be rising from the muddy water! 🌍