

MAHU Board Meeting Minutes

Tuesday, June 6, 2006

CKR Offices, Lansing, MI

1. Opening of Meeting – Roll Call – Meeting was called to order by acting President, Mike Embry at 10:09am – Following a roll call of board members present, a quorum was identified
2. President's Report – Sue / Mike
 - NAHU Convention Delegates – Report has been submitted to NAHU showing 23 delegates, with two alternates, C. Ficara to coordinate in San Francisco
 - Board of Directors for 2006 – 2007 Board Year – Appeal made to identify potential candidates for missing positions
 - 2006 – 2007 Meeting schedule – Distributed to all attendees. Confusion settled over Grand Rapids meeting
 - Strategic planning for 2006 – 2007 Board year - Forgo meeting for this summer
3. Secretary's Report – Pat:
 - Approval of minutes from April 4, 2006 meeting – To be completed via email vote (see summary of email votes at end)
 - Discussion of E Board Meeting of May 2, 2006 – A brief summary of meeting was provided by Pat Pennefather with additional input from Mike Embry
4. Treasurer's Report – Nicole and Marcy
5. Approval of current financials - To be completed via email vote (see summary of email votes at end (corrections required prior to vote))
 - Budget discussion
 - Last years budget was presented as basis for discussion & mention was made that effect of revenue and expense of strategic communications project was not included
 - G. Willet brought up concern that communication effort could detract from revenue of local associations fundraising efforts-Many board members spoke to feelings of non-concern and the fact that each local has representation on state board
 - Discussion ensued regarding elements of budget, correcting some estimates, eliminating expense categories no longer necessary, and clarification of duplicate categories that will be corrected in future drafts
 - Possibly increase funding for Cap Con, and decrease number funded to 4
6. Committee Reports:
 - Membership - Dave – Membership down to 615 in MAHU, from 659 last May, goal for year was 707

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- Legislative – Dave – Several state bills were discussed including “Access for Affordable Care”, which “agent representation” was not included for advisory council. Dave has asked CKR to inquire on possibility of including us in task force being set up by J. Granholm. Gary of CKR also recommended sending questionnaire to candidates for governor and legislature, as well as setting up follow-up interviews
- Technology – Jeff – Not present
- Education – Suzy – No report

7. Old Business:

- Michigan Party Update – Suzy – Details have been set and funding is in progress but looking revenue neutral - After brief discussion of rationale, a motion was made by Suzy Alberts, seconded by Tiffany Otis to authorize up to \$2,000 for Michigan Party/Selinsky campaign, if necessary after funding from other sponsors
 - Database clean up project – Marcy – Reports for distribution to E-board members not yet complete, but coming shortly
 - Newsletter RFP – Suzy – RFP is out, Suzy looking to staff committee for review of proposals, and make presentation at August Full Board meeting
 - Website Updates – Marcy – A brief discussion of recent additions and clean-up

8. New Business:

- My Basic Guru – Mike – Referral agreement distributed, partnering with NAHU and accepted by several other state associations- A motion was made by Pat Pennefather, seconded by Rich Duffield to accept MyBasicGuru agreement – Vote was cast to unanimously approve
- Jerry Weinberg Seminars – Suzy – Preliminary stages of discussion, details to follow
- State Planning Grant for the Uninsured – Dave – A brief description was provided
- Email database cleanup project – Marcy – See above
- Convention Funding – Motion was made by Tiffany Otis, seconded by Suzy Alberts to increase funding to \$1800 (in line with other locals funding delegates), recognizing three attendees, and a portion of another (Sam V., Pat P., Nicole R., and partial Dave C.)

An email vote was taken beginning on 6/19 for;

- Approval of April minutes
- Approval of June Financials
- Approval of CKR administrative agreement extension

Copies of email votes attached, all approved unanimously, representing a quorum of the board

9. Adjournment at 12:55pm

Patrick Pennefather

From: Patrick Pennefather
Sent: Monday, June 19, 2006 10:52 AM
To: 'Richard Duffield'; 'Bisbee, Sue'; 'Cathy Ficara (E-mail)'; 'dcluley@healthplus.org'; 'Eric Anderson (E-mail)'; 'Greg Willet (E-mail)'; 'Jackie Letts (E-mail)'; 'Jamie Schuring (E-mail)'; 'Mark McLane (E-mail)'; 'Michael Embry (E-mail)'; 'Nicole Rodriguez (E-mail)'; 'Randy Joppie (E-mail)'; 'Suzy Alberts (E-mail)'; 'Tiffany Otis (E-mail)'; 'jefmarti@mcare.med.umich.edu'; 'Steve Wisneski'
Subject: MAHU Board Vote Required - Approval of 4/4/06 Meeting Minutes

Attachments: April 06 Board Meeting Minutes.doc

In the absence of minutes at June 6 Board Meeting, a motion was made by Mike Embry and seconded by Suzy Alberts to approve minutes electronically. Please respond back to me individually with your vote, or to all with comments requiring discussion.



April 06 Board
Meeting Minutes...

Patrick Pennefather
Account Executive
Kapnick Benefit Services Division

Kapnick Insurance Group
Insurance - Employee Benefits - Risk Management - Financial Strategies

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Patrick Pennefather

From: Patrick Pennefather
Sent: Monday, June 19, 2006 10:59 AM
To: Patrick Pennefather; 'Richard Duffield'; 'Bisbee, Sue'; 'Cathy Ficara (E-mail)'; 'dcluley@healthplus.org'; 'Eric Anderson (E-mail)'; 'Greg Willet (E-mail)'; 'Jackie Letts (E-mail)'; 'Jamie Schuring (E-mail)'; 'Mark McLane (E-mail)'; 'Michael Embry (E-mail)'; 'Nicole Rodriguez (E-mail)'; 'Randy Joppie (E-mail)'; 'Suzy Alberts (E-mail)'; 'Tiffany Otis (E-mail)'; 'jefmarti@mcare.med.umich.edu'; 'Steve Wisneski'
Subject: MAHU Board Vote Required - Approval of June MAHU Financial Reports

Attachments: Balance Sheet MAHU June 6 2006.pdf; P&L for June MAHU Mtg.pdf

During our recent June Board meeting, corrections were necessary to MAHU financial reports. Those corrections are reflected in the attached documents. Please review, and respond back to me individually with your approval, or to all with discussion or questions.



Balance Sheet MAHU June 6 2006.. Mtg.pdf (11 ...

Patrick Pennefather
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Patrick Pennefather

From: Patrick Pennefather
Sent: Monday, June 19, 2006 11:05 AM
To: Patrick Pennefather; 'Richard Duffield'; 'Bisbee, Sue'; 'Cathy Ficara (E-mail)'; 'dcluley@healthplus.org'; 'Eric Anderson (E-mail)'; 'Greg Willet (E-mail)'; 'Jackie Letts (E-mail)'; 'Jamie Schuring (E-mail)'; 'Mark McLane (E-mail)'; 'Michael Embry (E-mail)'; 'Nicole Rodriguez (E-mail)'; 'Randy Joppie (E-mail)'; 'Suzy Alberts (E-mail)'; 'Tiffany Otis (E-mail)'; 'jefmarti@mcare.med.umich.edu'; 'Steve Wisneski'
Cc: Marcy Lay
Subject: MAHU Board Vote Required - Approval of July extension to CKR Admin Contract - Third of three votes

Attachments: July 2006 Association Contract.doc

Motion was made by Michael Embry and seconded by Dave Cluley to approve the extension of the attached contract. Please review and respond back to me individually with your approval, or to all with questions or discussion.



July 2006
Association Contract.

Pat

Patrick Pennefather
Account Executive
Kapnick Benefit Services Division

Kapnick Insurance Group
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2004 MAHU Proposed Budget

Committee Budgets	Income	Expenses	Income	Expenses	Income	Expense
Membership						
Database management		500				
Misc.		250				
Legislative						
Lobbyist		36,000		33,000		26,648.31
CKR Cruise		1,000		1,000		1,000
MAHU PAC				287.51		162
MIGRIP	5000	500	7843			
Misc.		0		1611.14	4836.92	0
Education						
Infirsource COBRA			0	0		
Web CE	150	300			2764.97	0
State CE Day	500	300			29.56	0
Technology						
Communications	1000	300	0	0	0	0
Awards		300	0	0	0	0
Income						
Dues	42,000		43164.87		37931.83	
Totals	76310	88945	60121.87	58599.32	56200.17	65759.68

REFERRAL AGREEMENT

THIS REFERRAL AGREEMENT (the "Agreement") is effective upon the signing dates below between mybasicGURU, Inc. a Michigan corporation, having its principal place of business at 9246 Portage Industrial Drive, Portage, Michigan 49024 (hereinafter the "mybasicGURU"), and _____ having its principal place of business at _____ (the "Representative").

WHEREAS, mybasicGURU has designed and distributes an on line agency management system known as mybasicGURU (hereinafter "System") that is beneficial to the customers of Representative's members/agents; and

WHEREAS, Representative wishes to promote the System and receive commissions from completed sales by its members/agents to their customers.

NOW, THEREFORE, it is agreed as follows:

1. **Term.** This Agreement shall continue for a period of one (1) year, automatically being renewed for additional terms of one year until such time as this Agreement is terminated. This Agreement may be terminated:
 - a. By either party upon 60 days notice after the initial year; or
 - b. By mybasicGURU at any time, should Representative promote any products competitive with mybasicGURU.
2. **Appointment and Status.** Representative's appointment is not exclusive. Representative is acting hereunder as an independent contractor.
3. **Representative's Authority.** Representative's authority is limited to promoting the System among its members/agents for sale to their members/customers. Representative has no authority to create any obligation, representation, warranty or liability of any kind, express or implied, on behalf of mybasicGURU.
4. **Prices and Terms of Sale.** All orders shall be based on the terms of sale issued by mybasicGURU, and are not accepted until approved by mybasicGURU.
5. **Commissions.** MybasicGURU shall pay Representative a commission equal to \$50 for each initial training and set up fee received by mybasicGURU and five (5%) percent per month for the term of this Agreement, of the licensing fees received according to the attached Licensing Fees Schedule. Representative shall be solely liable for any commissions to its members/agents of Representative for sales of the System to their customers and shall indemnify mybasicGURU and hold it harmless from the same. MybasicGURU retains the right to modify the rates charged to the customer from time to time. Commissions shall be deemed earned by Representative only after full payment has been received by mybasicGURU. Aggregate commissions earned in any month of \$25 or less shall be accrued and paid in the following month or in December for year end payment.

6. **Commissions After Termination.** All commissions shall cease upon termination of this Agreement.

7. **Competitive Products; Confidential Information.** Representative agrees that during the term of this Agreement it will not promote or sell any product competitive to the System. Representative agrees that it will not use or disclose any confidential and proprietary information provided by mybasicGURU during the term of this Agreement or any time thereafter and injunctive relief is an appropriate remedy should Representative breach the terms of this Agreement.

8. **Marks.** Representative shall not use in any manner any trademarks, imprints, or service marks of mybasicGURU ("Marks") without prior written consent, except as necessary to carry out the terms of this Agreement.

9. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and all prior and contemporaneous agreements between the parties, whether written or oral, are merged herein and shall be of no force or effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized officers on the day and year indicated.

mybasicGURU, Inc.

Date: _____

Fritz Teutsch, President

Date: _____

2006 Additional Bonus Opportunity State

We are offering a special bonus to the state based on the number of agencies that sign up from now until 12/31/2006 using the state promotional code (this assumes that Florida decided to move forward with mybasicGURU in a marketing agreement).

In addition to the compensation agreement that we have already proposed we would pay the following bonus at each level:

25 agencies by 12-31-06	\$1,500
50 agencies by 12-31-06	\$4,000
75 agencies by 12-31-06	\$9,000
100 agencies by 12-31-06	\$15,000

The bonus will be paid out by March 31, 2007. MYbasicGURU.com reserves the right to modify this bonus schedule at any time.



CUSMANO KANDLER & REED, INC.

Governmental Consulting

Association Management Cusmano Kandler & Reed, Inc.

This agreement of July 1, 2006 is between Cusmano Kandler & Reed, Inc. (CKR) of 124 W. Allegan, Suite 1720, Lansing MI, 48933, and Michigan Association of Health Underwriters (MAHU) of 6914 Lancaster Lake Ct. Apt 76, Clarkston, MI 48346-4432:

CKR shall provide a full range of Association Management Services including:

Administration. CKR shall maintain a "head quarters" for the MAHU, maintaining a telephone, office and pertinent records for the MAHU.

Public/Member Liaison. CKR will act as a liaison between the MAHU and the general public, fulfilling requests for information.

Database management. CKR will maintain and update the membership list for the MAHU and update NAHU's YODA data base .

Mail. CKR shall set up, check and maintain a mailbox or address for the MAHU.

Newsletter. CKR shall create, a legislative article for each of the MAHU's newsletters.

Membership Dues. CKR will do one dues mailing per year for prospective members.

Financial. CKR shall report all membership dues received from NAHU. CKR shall maintain the MAHU checkbook and organize approval and payment for all expenditures. CKR shall submit a monthly report to association's board of directors.

Events. CKR shall be available for advanced event planning. This can include board meetings, yearly membership meetings or yearly legislative day. We can be of assistance with site selection, scheduling event, notice to members, on-site registration and on-site support. (Event costs are not included)

Reporting. CKR shall produce and distribute monthly reports to the MAHU board of directors reporting financial and other informational issues of the MAHU.

PAC/MIGRIP Management. CKR will assist MAHU with their PAC management. Services provided can include: Member appeal, printing, mailing and follow up. These services are provided on a limited basis, but can be enhance for a determined fee. (Cost of material not included)

Website. CKR will monitor and handle the website email as received.

CKR shall operate as an independent contractor with the MICHIGAN ASSOCIATION OF HEALTH UNDERWRITERS, and not as an employee.

In compensation for the above services, the MICHIGAN ASSOCIATION OF HEALTH UNDERWRITERS shall pay to CKR \$1,500.00 per month, in advance, payable by the 7th day of each month. This agreement shall be in effect until June 30, 2007.

The above payment includes all ordinary expenses. Ordinary expenses are those regularly incurred by CKR in its activities, and include telephone calls, correspondence, postage, travel to and from the MICHIGAN ASSOCIATION OF HEALTH UNDERWRITERS meetings in Michigan and to and from government offices.

The MICHIGAN ASSOCIATION OF HEALTH UNDERWRITERS shall assume and pay CKR's extraordinary costs if pre-approved by the MICHIGAN ASSOCIATION OF HEALTH UNDERWRITERS. Extraordinary expenses are those not normally incurred by CKR as part of its regular association activities.

CUSMANO KANDLER & REED, INC.

DATE

MICHIGAN ASSOCIATION OF HEALTH UNDERWRITERS

DATE

Michahu
Profit & Loss
April 4 through June 2, 2006

Apr 4 - Jun 2, 06

Ordinary Income/Expense	
Income	
Dues	7,133.96
Lansing Capitol Day 2006	1,565.00
Migrip Deposit	1,414.30
WebCE revenue	55.72
Total Income	<u>10,168.98</u>
Expense	
Association Mangement	2,000.00
Bank Charge	77.00
Board Meeting Expense	99.10
Capitol Day 2006	819.42
Credit Card Processing Fee	103.65
Legislative Lobby Expense	6,000.00
Member Update	174.22
NAHU Capitol Conference 2006	2,333.15
National Convention	1,355.00
Postage	0.78
Taxes	125.00
Teleconference	129.45
Total Expense	<u>13,216.77</u>
Net Ordinary Income	<u>-3,047.79</u>
Net Income	<u><u>-3,047.79</u></u>

10:20 AM

06/06/06

Accrual Basis

Michahu
Balance Sheet
As of June 6, 2006

Jun 6, 06

ASSETS	
Current Assets	
Checking/Savings	31,682.22
Comerica	
Total Checking/Savings	<u>31,682.22</u>
Total Current Assets	<u>31,682.22</u>
TOTAL ASSETS	<u>31,682.22</u>
LIABILITIES & EQUITY	
Equity	
Retained Earnings	37,394.14
Net Income	-5,711.92
Total Equity	<u>31,682.22</u>
TOTAL LIABILITIES & EQUITY	<u>31,682.22</u>