



# **NAHU**

## **Chapter in a Binder**

November 2017

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## Introducing: Chapter in a Binder!

NAHU staff and volunteer leaders assembled this information designed to guide you through the process of starting and running a chapter.

There are five principal factors in starting and running a chapter:

- 1) Recruiting and retaining members;
- 2) Conducting strategic planning session to determine the chapter's direction;
- 3) Assigning officers and their tasks;
- 4) Creating bylaws to govern the chapter;
- 5) Hosting membership meetings and continuing education programs

This guide provides details on these factors and more.

If you have questions there is always someone to help you. You are not in this alone; there is a crew of volunteers and staff on your side.

***Welcome to NAHU!***

## Table of Contents

### Step One: Starting a New Local Chapter

- Sample recruitment letters
- Prospective NAHU Member Survey

### Step Two: Conducting a Strategic Planning Session

- Leadership roles and responsibilities

### Step Three: Creating Bylaws

### Step Four: Planning Meetings: Board and Membership

- Sample agendas

### Step Five: Chartering a Chapter

### Step Six: The Chapter's Established; Now What?

#### **Chapter Management Tools**

- [Suggested Swearing-in Procedure](#)
- [Officer Commitment Letter](#)
- [Financial Information](#)
- [State and Local Chapter Finances](#)
  - ❖ [Sample Balance Sheet](#)
  - ❖ [Sample Statement of Activities](#)
- [Awards: Chapter, Individual & Membership Awards](#)
- [Media Relations: Working with the Media](#)
- [Chapter Certification Program](#)
- Online Resources: [www.NAHU.org](http://www.NAHU.org)



## **Step 1) Starting a new local chapter in a state where other locals and/or a state association already exists**

A minimum of 15 members are needed to start a new local chapter.

If a state association already exists, before going forward, present your intentions to the state chapter for their approval and support. The state will approve the territory where you plan on recruiting members. This approval keeps harmony among the established local chapters in the event that the new local chapter pulls some members from another local chapter. Also, the state chapter can let you know if someone is already working on a new chapter in the area; two heads are better than one. Keep in mind, even if an established local chapter loses a few members to the new local chapter, by adding a new association, the state, the region and the national membership grow. The positive result of establishing a new local benefits the entire organization.

If there is no state chapter in the state, make sure to contact other local chapter(s) to let them know what you are doing. Make sure to contact the Regional Vice President and the Chapter Relations Department at NAHU. They will know if there are any other people interested in participating in the chartering process as well as get you any information that may be helpful.

Next, contact agents from neighboring chapters to help build enthusiasm and possibly scout members for the new geographic area. When recruiting new members, encourage them to sign up for the monthly membership draft option from their checking account or a monthly credit card charge; these options not only help defer the one-time expense of membership but also help with the chapter's retention issues that may later occur when members renew. Even if you don't have all 15 members, get as many you can to join. They will be classified as members-at-large or state-level members; but make sure they join, because when the remaining members join, the chartering process can get started immediately. Be sure to contact your Regional Vice President as well as your Chapter Leadership and Development regional chair.

NAHU supports your efforts by providing a list of members throughout your state. Review the list and determine if any members live in the chartering area. This is an easy process for you on your way to 15 members. Another idea is to work closely with a carrier representative from the top companies in your area. These carriers have excellent prospect lists at their fingertips and usually are very helpful. They may even be willing to include flyers or letters to their agents in their mailings. Soliciting support from the carrier reps can get your chapter membership to 15 quickly.

Since the chapter is new and no officers have been assigned, establishing a Strategic Planning Committee is an excellent option. This initial committee can help make the decisions during the chartering process or until the officer roles are filled. The Strategic Planning Committee should consist of no more than five people. They will establish a name for this group, hammer out the roles and responsibilities of the various officer positions and begin developing bylaws. The committee will also need to plan a date and location to hold a strategic planning session.

Look for support from your State President, Regional Vice President, and regional committee chairs. There are many members within your region who may have the experience and advice to point you in the right direction.



## Sample Recruitment Letter #1

I am writing today to share some EXCITING NEWS with you. The National Association of Health Underwriters – the only association devoted to you, the health insurance agent, will be starting a local chapter here, in the Warren-Youngstown area. As members of an increasingly threatened and little understood vocation, it is more important than ever that health insurance professionals band together for maximum impact.

By becoming an NAHU member, you will ally yourself with the best the industry has to offer. NAHU members include not only the top health insurance agents in the nation, but also the most respected. And NAHU membership guarantees your access to the best resources available to health insurance professionals...

**TOP QUALITY REPRESENTATION** – Each year NAHU spends over \$1,000,000 to present your interests before Congress and regulatory agencies.

**INFORMATION STRAIGHT FROM THE SOURCE** – When something happens that affects your business you'll hear about it first from NAHU.

**MOVING AHEAD** – Health care reform continues to be the leading issue on Capitol Hill and in statehouses around the country. Through NAHU you have the power to decide the future of your industry.

**THE COMBINED STRENGTH OF MORE THAN 18,000 NAHU MEMBERS MEANS YOUR VOICE WILL BE HEARD!!!!!!**

In an effort to begin the process to charter a local chapter, we are looking for individuals who are interested in membership and/or serving as a board member. Please take a few minutes to contact us with your interest as soon as possible. Your response will guarantee an invitation to our "kick off" meeting to be held in your area in February.

Please feel free to call with any questions you may have. I can be reached at \_\_\_\_\_ or via e-mail at \_\_\_\_\_. I look forward to hearing from you.



## Sample Recruitment Letter #2

«CONTACT\_»  
«COMPANY\_NAME»  
«ADDRESS»  
«CITY», «ST» «ZIP»

### Dear New York Health Insurance Professional:

Don't miss your chance to decide the future of your industry. You are invited to be a part of the brand new (*chapter name*) Chapter of the National Association of Health Underwriters. Because you are an important part of the (*chapter name*) health insurance community, I also invite you to become a leader of our new chapter.

Here are just a few of the benefits the (*chapter name*) Chapter will bring you:

**Get the Latest Information First** – Your chapter membership means you'll be the first to know about issues affecting your business.

**Lead the Industry** – By getting in on the ground floor, you will help determine the purpose and scope of the (*chapter name*) chapter.

**Network with Your Peers** – Join other health insurance professionals to learn and share your experiences and problems. You'll get the benefit of shared knowledge while making valuable contacts.

**Our first meeting is scheduled for (*Day, date & Time*) at the (*Location*).** We'll be organizing the chapter so be sure to come. I've enclosed directions to the meeting site to assist you.

Please fill out the enclosed form, indicating your interest and return to me by (*date*). You'll also find a list of pressing issues facing New York health insurance professionals.

Please feel free to contact me with any questions. I may be reached via e-mail, (*list email address*), or by phone, (*list phone number*). I sincerely hope you'll join your peers for this important step toward our future. I look forward to seeing you (*day, date and time*) at the (*location*).



## Sample Recruitment Letter #3

Dear Fellow Agent,

We would like to extend an invitation to you to become a charter member of a new local association of the Michigan Association of Health Underwriters. Please join us on Thursday, November 21 from 8:00 to 10:00 a.m. at the Sheraton Inn, located at State Street and I-94 in Ann Arbor for an organizational meeting to start the new chapter.

The Metro Detroit Association of Health Underwriters (MDAHU) is the only local association in Southeastern Michigan and has only a handful of members who are from outside of the tri-county area. Therefore, Washtenaw, Livingston, Jackson, Lenawee, Hillsdale and Monroe counties have little representation.

I am currently a member of the MDAHU board and will facilitate the formation of additional chapters in the state. An initial organizational meeting was held on November 7 and Chris Harshbarger from Jackson agreed to be interim president. It appears there is a great deal of interest in the agent community to establish a new chapter, and we want to be sure you have an opportunity to become a charter member. If you, or anyone you are associated with, are interested in serving on the board, a committee, or assisting the newly chartered organization, please come to the Sheraton Inn on November 21. The purpose of the organizational meeting will be to name the new organization, set goals and objectives, and elect the executive board.

There are many reasons for joining NAHU with input into legislation currently at the top of the list. The efforts of the National Association of Health Underwriters has been instrumental in educating our federal, state, and local legislatures on healthcare and agent related issues.

Thank you for taking the time to weigh the merits of this endeavor. I look forward to seeing you on November 21 and working with you to give our area a voice in health insurance issues. We need all of our collective talents and skills to preserve our profession and better serve our clients. Please RSVP by Monday, Nov. 18 to (313) 761-3155.



## PROSPECTIVE NAHU MEMBER SURVEY

\_\_\_\_\_ I am interested in becoming a member of NAHU.

\_\_\_\_\_ I am interested in serving on the Board of the new chapter.

\_\_\_\_\_ I am interested in serving on a committee of the new chapter.

Completing this form will NOT obligate you in any way. Thank you for your timely response.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_



## Step 2) Conducting a strategic planning session

The strategic planning session should be considered a “board meeting” of sorts, focusing on the important issues of the chapter.

Although you should have a strategic planning committee, you want to get people into the officer positions as soon as possible. You’ll need a president, president-elect, treasurer, secretary, legislative committee chair, membership chair and professional development chair to start. If you have more members that want to participate in leadership roles other offices that can be filled are awards, HUPAC, Media Relations and Communications chair. You may not get every position filled, but it’s good to try. If members are intimidated by the BIG job, it can be broken up into smaller pieces, talk with other NAHU staff, State President, Regional Vice President, or the Regional Chapter Leadership and Development chair to see what they recommend. Make sure to let the volunteers know they don’t have to accept a particular job; it doesn’t serve you to work with people who don’t want to do the work. If they are not interested in the first job, you have to ask them what they want to do. Ask them to sign the NAHU New Leader Commitment Form found on page 37 of this binder. For positions that remain open, make a point of discussing those offices at your membership meetings, and see if you can recruit more volunteers. There is too much for any one person to do and without a team of participants, the chapter could fold as easily as it started. Remember, persistence pays off!

Next, start setting goals for the chapter. Since this is a new chapter, you may want to start with naming the chapter and setting six-month goals such as; the number of board meetings and membership meetings that would be ideal and how frequently these meetings should occur. Focus on ways to increase membership (i.e. campaigns, meetings) and establish bylaws.

Bylaws are critical to a chapter, new or established. Bylaws provide the outline by which the chapter functions. If this process seems overwhelming there is a set of model bylaws included in this binder that can easily be adapted to the chapter.

For the first planning meeting, it is wise to have an experienced volunteer from another chapter facilitate the meeting or reach out to your regional Chapter Leadership and Development chair. They will provide guidance, suggestions and feedback without commanding the group, why reinvent the wheel. Allow at least half a day for the session.

A quick strategic planning guide is the Pacesetter Award application for local chapters and the Landmark Award application for state chapters. Both award applications breakout different chapter components that NAHU has identified as key elements for being a strong chapter. The Pacesetter Award application and criteria can be found on NAHU’s website. Additional sample strategic planning guides can be found on NAHU’s website ([www.NAHU.org](http://www.NAHU.org)).

## Leadership Roles and Responsibilities

### **President:**

- Leading the chapter as detailed in the strategic plan while having a good understanding of the chapter's bylaws.
- Appointing committee chairs, delegating responsibilities, and following-up to make sure the job(s) get done
- Developing meeting agendas and overseeing chapter board and membership meetings, and moderating chapter meetings
- Communicating chapter activities, reports to state, region, and national office as needed
- Involvement in raising funds for the chapter

### **President-elect:**

- Supporting the president, learning the responsibilities of the president and providing leadership in the president's absence
- Chairing major committee(s) as needed or as stated in the chapter's bylaws.

### **Vice President:**

- Overseeing the activities of the Standing Committees assigned by the President
- Responsible for other duties as assigned by the President, Executive Committee, Board or bylaws.

### **Secretary:**

- Recording and distributing board meeting minutes
- Maintaining current copy of the bylaws, as well as the policies and procedures
- Keeping the meeting attendance records to help determine a quorum
- Managing other duties as determined by the president and/or the chapter's bylaws

### **Treasurer:**

- Receiving and depositing all checks
- Maintaining the financial records of the chapter
- Processing invoices, contributions, and reimbursements
- Managing the checkbook and audits
- Preparing a treasurer report for all board meetings
- Overseeing the 990 tax preparation and filing

### **Professional Development Chair:**

- Setting program topics, locations, and agendas
- Contacting and arranging for speakers
- Developing surveys for program feedback
- Filing for CE credits
- Organizing credentialing and designation workshops

### **Membership Chair:**

- Promoting the value of membership to prospective and current members
- Developing and delegating responsibilities for membership incentive programs
- Tracking membership statistics. (new members, renewals, changes/deletions)
- Keeping a “guest/prospect” list from meetings
- Reviewing previous year’s membership data and setting goals for the upcoming year
- Maintaining membership supplies. (i.e. applications, affinity information)
- Contacting carriers for membership or partnership drives
- Promoting membership drives

### **Legislative Chair**

- Taking action on legislative and regulatory issues of interest to health insurance agents and brokers
- Building relationships with legislatures and like-minded organizations
- Encouraging chapter-level political involvement and grass-roots activity
- Keeping chapter members informed about legislative and regulatory happenings in both Washington, DC, and respective state capitol

### **Media Relations Chair:**

- Compiling a list of local print and broadcast media contacts
- Sending press releases to media contacts, responding as needed
- Forwarding NAHU releases on national issues to media contacts with a local spin

### **Communications Chair:**

- Ensuring chapter information is communicated on a regular basis to all chapter members
- Working with other committees as needed to produce a monthly newsletter and updating website
- Communicating chapter information with state, regional and national offices as needed

### **Awards Chair**

- Acting as a resource to chapter on what documentation is needed for each NAHU award
- Assembling documentation for awards applications and submitting it to NAHU on a timely basis



### **Step 3) Creating Bylaws**

Once your board is established, start focusing on developing the chapter bylaws. Bylaws are the rules that will govern how your chapter functions. Model chapter bylaws have been included in this binder to follow as an example, the model bylaws can be adapted as needed, the content are merely recommendations for strong and clear bylaws. NAHU will provide you with assistance with this process. After the chapter's board has created bylaws and approved them, the bylaws need to be forwarded to NAHU for review and comment. After NAHU has reviewed and recommendations made, the chapter will need to approve and accept the recommendations. The final bylaws will be forwarded to the chapter's Regional Vice President and NAHU's Board of Trustees for acceptance.

Sample model bylaws can be found on NAHU's website or by emailing a request for a copy to [chapters@nahu.org](mailto:chapters@nahu.org)

## Step 4) Planning Meetings: Board and Membership

You have a strategic plan and now your meetings are going to give value to your members. Here are some tips for having successful membership meetings.

**AFTER HOURS KICK OFF MEETING:** Very upbeat and happy.

- Call each member personally to invite them to attend. Very important!
- E-mail and mail invitations
- Encourage members to bring guests
- Have a hospitality table manned by chapter officers
- Present the programs for the year
- Introduce the chapter officers and give short report
- Recruit for positions not filled
- Provide drinks / appetizers
- Pick a convenient and nice restaurant
- Get a sponsor for the meeting
- Pick a regular meeting day; suggested time – 5:30 p.m. to 7:30 p.m.
- Do a raffle or give away (Another sponsorship opportunity)
- Talk about next meeting and invite everyone to attend

**HAVE THE MEETING ON THE SAME DAY AT THE SAME TIME EACH MONTH:**

(Example, 2<sup>nd</sup> Tuesday of the Month 8:00 a.m. breakfast, or noon the 3<sup>rd</sup> Thursday for Lunch. Luncheons are best for those chapters where travel time is an issue.)

**SET THE DATES FOR THE YEAR.** Our memories are short; give out stickers for the calendar for each event (meeting) for the year. Include dates for all your meetings; i.e. Products Fair, Baseball/Football Games, Golf Outing, Legislative Forum, Holiday Dinner, Membership Blitz, CE Classes (Marathon), New Member Orientation, Motivational Speaker and perhaps a Fundraiser...for starters.

**PROGRAMS:**

- CE Classes (See RX Forum Sample)
- Sports Personality
- Local Hospital Forum
- ERISA Attorney
- Regional and/or National NAHU Officers
- NAHU Website

**HOW TO HAVE A MEETING:**

- Parliamentary procedures should be followed at board and membership meetings
- Determine who is responsible for what (Program Chair/CE Chair)
- Have a hospitality table with name tags and people welcoming attendees
- Pick one place for all the meetings that year
- Plan for the meeting to be at the same time
- E-mail reminders, post information on the chapter's website, publish in the newsletter
- Try to avoid conflict with another related organization
- Establish an agenda with speakers, topics, etc. (See Examples) (Leave room for notes)
- Mention the next meeting highlights in the agenda

- Discuss what's hot in your area. (You want the people who didn't attend to know they missed something and those at the meeting to go away better informed.)
- Make your first speaker be a big one. (Insurance Company CEO, Governor, Senator)
- Have a sponsor and give them a place to display their wares and a few minutes to speak
- Solicit insurance companies to include your flyer in their commission stuffers and quotes
- Legislators sometimes are not able to show up, make sure to have a back up speaker. A lobbyist, perhaps, who blends with the topic.
- Encourage networking and make sure the officers say hello to as many people as possible
- Introduce new members. (Call the new members ahead of time, and let them know they will be introduced.)
- Remember...the events should be fun and informative

#### AGENDA TIPS FOR YOUR BOARD MEETING:

##### Set Objectives for the Meeting.

Before planning the agenda, determine the objectives of the meeting. The more concrete your objectives, the more focused your agenda. Always include a legislative update, HUPAC and state-specific PAC opportunities.

##### Provide an Agenda in Advance

Your agenda needs to include a one-sentence description of the meeting objectives, a list of the topics to be discussed, who will address each topic and for how long. Keep to the agenda during the meeting.

##### Assign Meeting Preparation

Give all participants something to prepare for the meeting. It gives members significance. Let participants know what will be discussed so they may prepare. Have participants requesting a line item, they should be contacting the president or secretary in a timely manner (five or more days) with their request and amount of time needed.

##### Assign Action Items

Don't finish any discussion in the meeting without deciding how to act on it.

##### When to Meet

Best times are early morning before work mode or late afternoon when boredom sets in.  
After work 5:30 p.m. at local restaurant or sports bar.

##### Where to Meet

Clearly state where the next meeting will be held and how long it will last. It is better to schedule 50 minutes of discussion into an hour time slot. This way you have 10 minutes to spare.

##### Wrap Up

Allow for room on your agenda for notes. Summarize information to make things clear before adjourning the meeting.

##### Set Up Next Meeting

This gives participants a chance to plan and you can agree on a time and place where the majority can attend.

**AGENDA TIPS FOR GENERAL MEETINGS: EXAMPLE #1**

**DATE, TIME, LOCATION AND NAME OF ORGANIZATION**

**SCHEDULE OF EVENTS**

<b>Time:</b>	<b>Item/Event</b>
<b>11:45 A.M.</b>	Registration
<b>12:00/12:05 P. M.</b>	Meeting “Call To Order” <ul style="list-style-type: none"> <li>➤ Welcome Membership</li> <li>➤ Introduce Corporate Sponsor and announce special membership offer - \$25 off local dues, first 8 only.</li> <li>➤ Introduce Special Guests</li> <li>➤ Introduce New Members (By Board Member at each table)</li> </ul>
<b>12:05/12:10 P. M.</b>	Lunch served (Before start of Business)
<b>12:25 P. M.</b>	Association Business: Membership Status, President’s Report, Legislative Update, Any Special Events (Golf Outing, Expo, Holiday Party, etc.)
<b>12:30/12:35 P. M.</b>	Corporate Sponsor presentation and conduct drawing prior to featured speaker.
<b>12:45 P. M.</b>	Thank Corporate Sponsor <ul style="list-style-type: none"> <li>➤ Collect Non-Member business cards for drawing by corporate sponsor</li> <li>➤ Announce Special Membership Offer by Corporate Sponsor to “pick-up” the local dues - \$25 off the first 8 non-members that join today.</li> <li>➤ What’s Required:               <ul style="list-style-type: none"> <li>➤ 1. Application completed today</li> <li>➤ 2. Voided check or complete on line</li> <li>➤ 3. Announce who joined</li> </ul> </li> </ul>
<b>1:00 P. M.</b>	Introduction of Featured Speaker or CE Class
<b>1:30/2:00 P. M.</b>	Meeting Adjourns



**AGENDA TIPS FOR REGULAR MEETING: EXAMPLE #2**

**AGENDA: DATE TIME PLACE  
NAME OF NAHU CHAPTER**

- 8:00 A. M.** Breakfast is served and networking begins
- 8:15 A. M.** Welcome and Introductions
- 8:20 A. M.** Officer Reports
- President's Report
  - Treasurer's Report
  - Secretary's Report (minutes approved if applicable)
  - Legislative Report
- 8:30 A. M.** Committee Reports
- Membership (New and Retention)
  - Professional Development
  - Awards
  - Chapter Development
  - HUPAC and / or State PAC
  - Communications
  - Public Service (Philanthropy)
- 8:40 A.M.** Old Business
- 8:45 A.M.** New Business
- 8:50 A. M.** Announcements and Recognition of Corporate Sponsor
- 8:55 A. M.** Short break before Speaker or Event
- 9:00 A. M.** CE Class or featured Speaker
- 10:00 A. M.** If one hour CE or speaker  
**(11:00 A. M.)** If two hour CE or Round Table Discussion)
- 10:00/11:00 A. M.** Wrap –Up: For the Good of the Order, announce next meeting and topic





## **CE EXAMPLE - THE RX FORUM**

*\* Contact your Insurance Commissioner for state specific details.*

**Northwest Ohio Association of Health Underwriters**

**September Meeting: "PRESCRIPTION TRENDS"**

**Sponsor: PACIFIC LIFE**

### **PANEL**

- Paul Neiheisel – Account Executive of Anthem RX
- Paul Bernard – Mail Order Pharmacist of Anthem RX
- Wayne Milewski – Savage Agency Director of Health Insurance Sales
- Joe Stapleton – RX West Missouri
- Harold J. Parks – Kroger National Benefit Management Company, Houston, TX

### **PANEL DISCUSSION POINTS:**

- Formulary vs. Non-Formulary
- R & D
- Tier Rating
- RX and the Cost of Health Care
- Retail vs. Mail Order and the Co-Pays
- What about new drugs replacing the ones that go generic or over the counter?
- More drugs are being used for mental health. Are they working and successfully keeping people out of the hospital?

### **Q & A**

**CE CREDIT: 2 ½ HOURS**

**TITLE: Prescription Drugs: Pros and Cons**

**INSTRUCTORS: Paul Nieheisel and Paul Bernard of Anthem RX**

**FILED WITH APPROVAL OF THE STATE OF OHIO**



## Step 5) Chartering a Chapter

NAHU requires at least 15 members to start a chapter. Once you have 15 members, charter papers need to be submitted to NAHU for the Board of Trustees' approval. The charter papers include instructions and forms for policies and procedures. Be sure to have the local chapter and state Presidents sign the forms, as well as the Regional Vice President before submitting the paperwork to NAHU. Once the charter is approved NAHU's Board of Trustees, the Executive Vice President and President will sign off on the charter. The paperwork needs to be submitted to NAHU, Attn: Chapter Relations, 1212 New York Avenue NW, Suite 1100, Washington, DC 20005.

### Instructions for chartering a new chapter;

1. Complete all blanks in Section I of "Request for Chartering in NAHU" form. The name of the new chapter should be descriptive of your location (i.e. South Georgia AHU or Greater Washington AHU) and should not exceed 20 letters.
2. The president or other interim chapter officer should complete Board of Directors and Committee Appointment rosters. Be sure to indicate the effective dates of these appointments. Please provide as much information as possible on Executive Board and Standing Committee members. Also, write the name of the chapter on both rosters.
3. Complete the Charter Members List with address, phone and e-mail. As stipulated in the NAHU bylaws, **NEWLY FORMED CHAPTERS MUST HAVE AT LEAST 15 MEMBERS**. Please indicate if members are transferring from an established NAHU chapter or if they are new recruits. All new members should have membership applications and dues checks enclosed in chartering paperwork.
4. When completed, submit documentation to your Regional Vice President (RVP). After review by the RVP, materials will be forwarded to NAHU's Chapter Relations Department. Chapters will not be accepted into NAHU until they have been approved by the NAHU Board of Trustees.

To request chartering paperwork email [chapters@nahu.org](mailto:chapters@nahu.org).



## Step 6) The chapter's established now what?

Congratulations! Your chapter's charter has been approved..

There are a few items that need to be done that are important to the chapter. They are:

- Send notice to your membership of the chartering success. (Membership/Communications)
- Draft bylaws for approval. (President/Secretary)
- Hold chapter meeting. Approve bylaws. (Membership/President/Secretary)
- File for 501©(6)-IRS recognized Not-For-Profit status (Treasurer)
- File for incorporation (Treasurer)

These jobs and others are outlined in the guidebooks available on NAHU's [website](#). You or any of the chapter's officers can also contact NAHU staff, your state counter part or a regional committee chair for assistance. You are not responsible for doing these jobs alone. Delegate to your officers and direct them to the state, regional, and national resources.

You may find a list of current NAHU Board members and staff on NAHU's website, [www.NAHU.org](http://www.NAHU.org).



## Suggested Swearing-In Procedure for New Officers and Trustees (Directors)

The following procedure is used by the National Association of Health Underwriters for swearing in newly elected officers and trustees at the annual meeting and symposium. State and local associations may want to use it, or some adaptation of it, for their own swearing in ceremony:

### ADMINISTERING THE OATH

Person administering the oath (usually a past association president) comes to the microphone and tells the assembled membership that this ceremony is the most important of all association functions. It places the responsibility and authority of leadership upon these elected officials and establishes a bond of commitment between them and the membership.

*To the new officers and trustees (directors) of the association:* **“Please stand as your name is called, take your place in front of the head table, and face the assembled membership. If you are seated at the head table, please rise and stand in place behind your chair.”**

*To the membership:* **“Please hold your applause until the swearing in ceremony is completed.”**

Slowly and clearly reads the names and offices being filled. Allow enough time for the individual to be recognized, and not to let the name or office run into the next introduction.

### WHEN ALL IN PLACE

*Ask association members to stand and face the new officers and trustees (directors).*

### PLEDGE OF THE MEMBERSHIP

*To the membership:* “As a member of the \_\_\_\_\_ association of health underwriters, will you pledge your support and encouragement in helping these officers and trustees (directors) about to be installed? If so, please signify by saying, I will.” *Allow time for response from the membership.*

“Thank you. Please be seated.”

### SWEARING IN

*To the new officers and trustees (directors):* “As this membership has just pledged their support to you, do you pledge to fulfill your individual responsibilities in representing the \_\_\_\_\_ AHU, the \_\_\_\_\_ state AHU (if appropriate) and the National Association of Health Underwriters; and to conduct yourselves in the best interest of the membership and the consumers they serve? If so, please signify by saying I will.”

“Let me congratulate and wish each of you every success possible.”

END



**NAHU Leader Commitment Form**

I, \_\_\_\_\_ agree to perform all the responsibilities and duties required of my position. I will participate in all meetings and teleconferences as scheduled and complete other duties as assigned.

I know that the success of my office will impact the members of my chapter and NAHU. I will seek to promote the best interest of our membership.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Committee Position

\_\_\_\_\_  
Date



## General Financial Information

### Association Tax-Exempt Status

Each member association must have its own tax-exempt number and Employer Identification Number. Here's how to go about obtaining these numbers:

NAHU and each of its state and local affiliates are eligible for tax exemption from federal income tax as "business leagues" within the meaning of the Section 501(c)6 of the Internal Revenue Code. However, recognition of your association's tax-exempt status is not automatic. Each state and local association must apply to the IRS for recognition of its tax-exempt status.

If your association has not already filed its request with the IRS for recognition of its tax-exempt status, do so as soon as possible. The exemption application is filed on Internal Revenue Form 1024, "Application for Recognition of Exemption." Instructions for filing this form and the required supporting documentation are included in IRS Package 1024. It is important that the instructions be read and followed carefully if the exempt status is to be established with a minimum of difficulty.

As part of the application, each association must include its Employer Identification Number on Form 1024. If your association does not have an Employer Identification Number, you must also file a Form 58-4, "Application for Employer Identification Number" along with your application for exemption. Your association must have an Employer Identification Number whether or not it has any employees, as this number is used by the IRS in maintaining your association's tax records.

When your association receives its Tax Exemption Letter from the IRS, officially recognizing its tax-exempt status, forward a copy of the letter to NAHU for inclusion in your permanent NAHU file.

After your association receives IRS approval of its tax-exempt status, you must file an annual information tax return - Form 990, "Return of Organization Exempt From Income Tax." Form 990 must be filed on or before the 15th day of the fifth month following the close of your association's fiscal year. That will be May 15th for all of our associations.

Some associations may also have to file a separate additional annual return on IRS Form 990-T. This is required in cases where the association has gross unrelated business income of \$1,000 or more in a taxable year. Generally, unrelated business income is defined in the instructions for Form 990-T as income from a regularly carried on trade or business when such trade or business is not substantially related to the purpose or function of the organization. Fortunately, the major sources of revenue for most associations - i.e., dues and interest on bank accounts - do not qualify as unrelated business income.

Activities such as lotteries, bake sales and the sale of advertising in the associations publications and other seemingly unrelated business activities of the association (if regularly carried on) may result in unrelated business income and should be reported when all such combined gross unrelated income is \$1,000 or more in a taxable year. Increasingly, the IRS has been focusing attention on such activities.

The IRS will make available, upon request, its Publication 598, "Tax on Unrelated Business Income of Exempt Organizations." This publication discusses in detail the IRS rules on "unrelated business income" and how to calculate the tax due on such income.



Due to the sheer number of state and local associations affiliated with NAHU, and the increasing complexity of federal tax laws affecting these associations, member associations are strongly encouraged to obtain the services of a qualified certified public accountant when possible to perform the tax compliance activities of the association. It should also be noted that the local and/or district IRS offices contain taxpayer assistance personnel who are available to assist in completion of tax forms without charge.

### The Dues Billing System

NAHU provides a very valuable service to the local and state associations through its billing system. Local or state associations set their own dues each year. These dues must be communicated to NAHU before September 30 of the prior year to be included in the computer system. This notification represents chapters' only opportunity to change their dues. A chapter that does not notify NAHU of their dues changes will keep their dues, unchanged, for the next year.

The dues and renewal dues notices are prepared by the national office and emailed directly to the members.. The dues statement is prepared by computer and includes the national dues and the local and state dues. Renewal payments are due on the member's anniversary date. Members are given a two month grace period following this date before they will be dropped from membership for non-payment.

Local and state dues are then directly deposited into each chapter's bank account on a monthly basis. These dues are for the new and renewing members from the previous month. For example, dues checks sent in February will reflect the dues received for a chapter's new and renewing members during January.

The computer program requires all dues to be sent to NAHU. Holding of local or state dues and forwarding of only the NAHU portion will prevent assignment of the member to a local or state association.

NAHU will accept and assign members to the appropriate chapter when an actual cash receipt is entered. If NAHU receives a partial payment, the member will be added to the system and will be billed for the outstanding balance. If full payment is not received after two months, the member will be dropped from the rolls.



## State and Local Chapter Finances

### Opening a Checking Account

At your chapter's first organizational meeting, the chapter should make a motion to open a checking and savings account on behalf of the association. In the motion it should state the name of the bank to be used, which officers are authorized to sign checks or withdrawals from the account, and how many signatures are required. The execution of this motion is usually performed by the Treasurer.

Most banks will ask for a social security number. Do not give them your number. NAHU is a not-for-profit 501(c)6 Internal Revenue Service approved association and a letter to this effect is on file at NAHU headquarters. Follow the instructions above for obtaining your association's IRS number. Use this number for all association accounts.

### Things to Check On

When a new secretary/treasurer is elected, make certain that the past records are turned over from the immediate past to the new secretary/treasurer. The new holder of the chapter's financial records, bylaws and minutes of meetings should give the immediate past secretary/treasurer a receipt itemizing the items he/she received.

Some state laws require that the association obtain a right to do business in that state. You can obtain information about this through the Secretary of State or Attorney General.

In some states, local and state associations may determine that it is to their benefit to file for incorporation within that state. Any move in that direction should be reviewed by your state association and NAHU headquarters to ensure that there are no legal conflicts. Likewise, the local or state association is advised to obtain their own legal counsel licensed in that state and familiar with local state law.

Many local associations find it beneficial to establish and maintain a petty cash fund that is used to make change and collect receipts at local meetings. Others have explored having their own charging arrangements with VISA, Master Charge, American Express, etc. However, this arrangement is expensive and more applicable to associations with high volume usage and corresponding high demand by your membership. Nonetheless, since the cost of most meetings where educational material is disseminated is a deductible business expense, you should provide your membership with suitable receipts for documentation.





State/Local Association of Health Underwriters  
Sample Balance Sheet  
April 30, 2005

ASSETS CURRENT ASSETS

Operating Cash and cash equivalents	XX,XXX.XX
Operating Money Market Account	XX,XXX.XX
Accounts receivable	XX,XXX.XX
Prepaid expense	XX,XXX.XX
Inventory	<u>XX,XXX.XX</u>
Total Current Assets	XX,XXX.XX
INVESTMENTS, at market value	
Operating Investments	<u>XX,XXX.XX</u>
	XX,XXX.XX
OTHER ASSETS	
Other Assets	<u>XX,XXX.XX</u>
Total Assets	<u><u>XX,XXX.XX</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	XX,XXX.XX
Deferred revenue - Membership	XX,XXX.XX
Deferred revenue - Conferences	XX,XXX.XX
Total Current Liabilities	<u>XX,XXX.XX</u>

OTHER LIABILITIES

Other Liabilities	<u>XX,XXX.XX</u>
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TOTAL LIABILITIES	XX,XXX.XX
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NET ASSETS

Net assets, beginning of year	XX,XXX.XX
Current Year Activity	<u>XX,XXX.XX</u>
NET ASSETS	<u>XX,XXX.XX</u>
Total Liabilities and Net Assets	<u><u>XX,XXX.XX</u></u>



State/Local Association of Health Underwriters  
Statement of Activities  
For the Four Months Ending April 30, 2005

	Current Month Actual	Year to date Actual	Year to date Budget	Annual Budget
<b>REVENUE</b>				
Chapter Dues Revenue	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Conference Registrations	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Sponsorship Revenue	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Exhibitor Revenue	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Product Sales	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Advertising Revenues	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Affinity Programs	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Royalty Income	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Interest Income	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Miscellaneous Income	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
<b>Total Revenue</b>	<b>xx,xxx.xx</b>	<b>xx,xxx.xx</b>	<b>xx,xxx.xx</b>	<b>xx,xxx.xx</b>
<b>EXPENSE</b>				
Office Supplies	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Postage	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Shipping	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Printing	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Telephone/Teleconferences	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Internet	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Reference Publications, Subscriptions	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Tax and Audit Fees	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Legal Fees	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Software License Fee	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Outside Consultants	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Business Travel	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Chapter Leadership Travel	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Hotel/Food and Beverage	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Speakers	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Decorating & Signage	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Entertainment	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Exhibit Hall	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Audio visual	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Photography	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Sponsor Expenses	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Insurance	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Newsletter Production	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Advertising	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Public Relations	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Convention & Conference Expenses	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Lobbying & Coalitions	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Grassroots Lobbying	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
State Legislative Initiatives	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Information Services	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Membership Recruitment	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Membership Retention	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Raffle/Lottery Prizes	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Awards	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Bank and Credit Card Fees	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
Miscellaneous	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx	xx,xxx.xx
<b>Total Expense</b>	<b>xx,xxx.xx</b>	<b>xx,xxx.xx</b>	<b>xx,xxx.xx</b>	<b>xx,xxx.xx</b>
<b>INCREASE/(DECREASE) IN NET ASSETS</b>	<b>xx,xxx.xx</b>	<b>xx,xxx.xx</b>	<b>xx,xxx.xx</b>	<b>xx,xxx.xx</b>

## **NAHU Awards**

Specific information about each award can be found on the NAHU website, [www.NAHU.org](http://www.NAHU.org).

### **Chapter Awards**

- Landmark Award (State Chapters only)
- Pacesetter Award (Local Chapters only)
- Presidential Citation Award (Presented to **ALL** qualified State and Local chapters)
- Legislative Excellence Award (State and Local Chapters are eligible)
- Public Service Award – William F. Flood Award (State and Local Chapters are eligible)
- Media Relations Award (State and Local Chapters are eligible)
- Professional Development Award - Robert W. Osler Award (State and Local Chapters are eligible)
- State Website Award (State Chapters only)
- Local Website Award (Local Chapters only)

### **Individual Awards**

- Distinguished Service Award
- Legislative Achievement Award
- Spirit of Freedom Award
- Public Speaking Award - William G. Wetzel Award
- Leading Producers Round Table (LPRT)

### **Membership Competitions**

- 100% NAHU board
- Bank draft contest
- Highest growth rate
- Highest retention rate
- Most new members
- Quarterly contests
- Recruiter of the Year
- Retention contest
- Triple Crown Award

## **Working with the Media**

If you want the world to hear your story, the best way to tell it is through the media. When a newspaper or television or radio station runs a story as news, it carries an implicit endorsement.

These tips are intended specifically to enable NAHU members to obtain media coverage of the organization's views concerning federal and state health care reform. Once ties to local editors and reporters are established the media will listen when NAHU members speak about the organization's evaluations and solutions regarding reform.

### **Reaching the Media**

#### **Helpful hints:**

- In doing an interview, if you have the option to tape or report live, keep in mind that tape allows you to be edited.
- Remember the 'deadline' is the most important factor to a reporter as the story does not exist if the deadline is not met.

#### **Sending your message:**

- Make no more than three points.
- Prepare and practice before you get to the reporter.
- Your goal is to deliver your message *and nothing else*.
- **REPEAT**- Write and Practice your points before you do an interview.

#### **Message Components:**

- Empathy/Caring - begin with this. It is 50% of the trust and credibility factor.
- Message should be 12 to 18 words that could be used as a sound bite. You can expand as time allows.
- Use supporting facts where possible.
- Repeat your message using the same words you used the first time.
- Indicate personal involvement in future action to show your commitment.

#### **Getting media coverage:**

- Evaluate your local newspaper. Does it have a political leaning? Does it favor any particular kind of story? Do certain reporters specialize in health care?
- Declare yourself. Let the news media know you exist, what you do, what you know, where you are, and how to reach you.
- Keep up with industry events on which you may be asked to comment.
- Call the news department and ask for the name of the person you should talk to about your subject or to whom you should send your press release.

### **Helping the media decide what is news:**

- News must be timely and interesting.
- The reporter on average only has a few hours to write a story.
- The reporter may know little or nothing about business/industry practices, and writes the story from an information vacuum.

### **Press Releases:**

- Your reader will decide in 60 seconds whether or not to continue reading.
- List information in order of descending importance.
- Use everyday words - no jargon.
- Write a “catchy” headline in boldface.
- Make sure your news release is really news. Is it timely? Does it supply the media with a real issue, a new twist, fresh statistics, or good quote?
- Above the headline, write “**For Immediate Release**”. Include contact names in case there are questions.
- Fax the release early in the morning.
- One page is best, never more than two pages.
- **Be sure the press release isn't blatantly self-serving or it will hit the wastebasket.**

### **Editorials:**

- Use the same guidelines for writing letters to the editor as you do for interviews. Your goal is to deliver your message.
- Remember, to be news, the information must be timely.
- Submit your letter. Include your name, address, and phone number.
- The newspaper will call you to confirm you wrote the letter.
- You'll be in print!



## NAHU Chapter Certification Program

NAHU's Chapter Certification program has four qualifying level. **Silver Certification** requires a chapter satisfy 6 of the listed 14 criteria. **Gold Certification** requires that 9 of the criteria be satisfied and **Platinum Certification** requires that all 14 of the criteria be satisfied. State chapters that are certified along with all of their local chapters during the same 12-month period will receive the **Blue Ribbon of Excellence**. Certification is voluntary and based on a rolling 12-month calendar. Questions and documentation should be sent to [Chapters@nahu.org](mailto:Chapters@nahu.org).

CRITERIA	DOCUMENTATION
Leadership Positions:	<i>As listed in NAHU's database</i>
President	<i>Duplication is acceptable for up to two offices</i>
President-Elect	
Secretary	
Treasurer	
Membership & Retention Chair	
Legislative Chair	
Professional Development Chair	
Bylaws	<i>Dated 2009 or later</i>
State PAC	<i>Form 8871 IRS Determination Letter</i>
Lobbyist	<i>Current signed &amp; dated contract</i>
Minimum number of membership events <i>State = 4 times/yr, Local = 8 times/yr</i>	<i>Must demonstrate meetings were actively marketed to the membership</i>
Strategic Plan	<i>A strategic plan is a document that communicates the chapter's goals, the actions needed to achieve those goals and all of the other elements developed. Minutes are not acceptable.</i>
Budget	<i>Current budget showing income and expenses, projected is acceptable</i>
Net membership increase	<i>Tracked by national</i>
HUPAC contribution from above listed board members at Triple Crown Level (\$10x12 or \$150)	<i>Contributions tracked by national</i>
Directors & Officers Insurance	<i>Current signed and dated contract</i>
NAHU Website Navigation Program at a membership meeting and four core leadership modules at a membership or board meeting	<i>Meeting notice highlighting the program (<a href="http://www.nahu.org/members/suites.cfm">http://www.nahu.org/members/suites.cfm</a>)</i>
IRS Filing for Not-For-Profit Status ( <i>1<sup>st</sup> yr</i> )	<i>IRS Form 1024 or IRS Letter of Exemption</i>
IRS Annual Tax Filing ( <i>following yrs requirement</i> )	<i>IRS Form 990 for the past chapter fiscal year</i>
Communications <ul style="list-style-type: none"> <li>• To legislators (<i>2 times a year</i>)</li> <li>• To the media (<i>2 times a year</i>)</li> <li>• To the membership (<i>6 times a year</i>)</li> <li>• Promote NAHU's LPRT, Triple Crown and certification programs (<i>3 times a year</i>)</li> </ul>	<i>Emails, newsletters, etc. document with distribution list(s) and communications</i>



NAHU's website is an outstanding resource for sample letters, programs and networking options. Check it out, [www.NAHU.org](http://www.NAHU.org):

### **About NAHU**

- History, Mission, Vision, Code of Ethics
- Promotional Videos
- Contact Us
- Chapter Information with website listings
- Newsletters
- Bylaws
- Board of Trustees and contact information
- Financial Information
- Volunteer Committees and contact information
- NAHU Policies and Procedures
- Staff Directory and contact information

### **Consumer Information**

- Find An Agent
- Related Links
- Glossary of Terms
- Health Care Coverage Database
- Guides
- Questions & Answers

### **Legislative Advocacy**

- Resources on Health Reform
- Client Resource Center
- Issues
- Grassroots
- Legislative Tools
- HUPAC

### **Professional Development**

- Compliance Corner
- Guidebooks
- Training Tools
- Online Learning Institute
- States' Department of Insurance Links
- Speakers' Bureau
- Designation Courses
- Certification Courses
- Chapter Sources

### **Education Foundation**

#### **Membership & Chapter Resources**

- Member Benefits
- Online Applications and Forms
- Membership Products
- Membership Reports
- Membership Tools
- Chapter Tools
  - eCommerce
  - Chapter Resources
  - Presentations
  - Awards Program
  - Recruitment & Retention Tools
  - Templates
  - Leadership Guidebooks
  - National Tools
- Chapter Information
- Awards
- NAHU Logo
- Leading Producers Round Table (LPRT)

#### **Media & Communications**

- HIU
- For Media
- For Members
- For Chapters
- Press Releases
- NAHU in the News
- RSS News Feeds

#### **Meetings**

- Future NAHU Meetings
- Past NAHU Meetings
- Capitol Conference
- Annual Convention
- Regional Conferences
- State Conferences
- Industry Meetings