

Benefits Decision: "Who" is as Important as "What?"

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May 19, 2009



Like shopping for a new car, purchasing a health benefits plan can be a complicated and frustrating task. Before you can park a new vehicle in your garage, there are dozens of models to choose from, a long laundry list of features to consider – and then the question of picking the best dealer to do business with. And the whole time, there is the lurking suspicion that you may not ask all the right questions to get the information you need to make the best decision.

Similarly, even the most astute health benefits professional can feel overwhelmed by the level of detail that goes with selecting a plan. This is especially true if a company is moving from major medical to a less-costly option, while still trying to protect the best interest of its employees and retain an attractive benefit that can help with talent recruitment.

As counterintuitive as it may be, the most important decision a company can make is not "what," but "who." Focusing on a plan's structure and offerings is important, of course. But if the partnership selected is not the right one, even the best plan is not going to deliver the expected results.

How do you select the "who?" Look for the Four Corners of a solid foundation for delivering health benefits effectively.

The Four Corners Selection Process

When it comes to health care benefits, it isn't the product that is unique. Any insurer or Third Party Administrator (TPA) can customize a benefits package to meet the needs of a company and arrive at about the same offering, probably even at similar pricing.

Instead, look for a partner who provides the kind of customer service that will exceed your expectations. The telltale sign of strong partnership potential are the Four Corners of performance:

1. Rock-Solid Administration

Fulfillment, billing accuracy and claims payment. How these three major administrative functions are carried out can cause customers to be delighted or to voice bitter complaints.

The first is easy to understand and the impact is immediate. If 1,000 people sign up for a plan but their paperwork is delayed, lost or mishandled, then a company's Human Resources Department can count on getting 1,000 angry phone calls.

Similarly, if billing amounts are repeatedly inaccurate because eligibility files are in disarray, or if claim payments are typically late or sporadically non-existent, the complaints will be frequent and loud.

This first corner – administrative capability – requires a TPA that can deliver seamless, end-to-end

administrative services that keep all of the different functionalities in one center of responsibility and accountability. By controlling a case from its beginning to its end, TPAs know it is to their advantage to make sure the work is done correctly and quickly – the first time, not after repeated complaints.

2. Extensive Carrier Access

Not every carrier has filed to provide coverage in every state. Some favor one industry and ignore others. Each has a different underwriting approach that may affect a company's options and pricing.

Selecting a partner with broad access to the widest possible number of carriers is critical to giving your employees the advantage of the best fit. Those partners who are knowledgeable can steer you to the right carrier – the one that wants to cover trucking companies, the one that does not mind rapid turnover, or the one that is happy to write the low-end, weekly premium business that others avoid.

Look for a partner that not only has relationships with multiple carriers, but that also has strong relationships based on the broad range of business done with the carriers. That means the TPA can leverage its clout on behalf of the company. For example, the carrier that services a TPA's workers comp clients is happy to work with the TPA to write the best deal for a limited medical plan.

3. Flexible Plan Design

A product offering may not be unique from one potential partner to another. It is important, however, that the product be high quality and reliable. A potential partner should work with top-rated carriers with long track records of delivering on their promises and solid marks for financial stability.

But beyond the basics, it is important to choose a partner who can bring you the most flexibility. That means finding someone who knows how to unearth the right niche that includes your company's twists and turns. If one carrier has restrictions on how a plan can be modified, your partner needs to be able to guide you to another carrier with more flexibility and interest in writing the business.

It also means finding a partner that uses data to your advantage. A TPA that can bring statistics to the table based on large pools of customers can provide experience-based evidence on what will work best for employees. For example, data that demonstrates that 85 percent of covered members will have claims of less than \$5,000 and 97 percent will never exceed \$25,000 makes a strong argument for embracing a limited medical plan.

4. Intelligent Enrollment Execution

Without one final corner, everything else falls through because the foundation will collapse. Enrollment is a vital step that is often overlooked or executed poorly.

Take the case of the independent drivers for a delivery company. The business case for offering them health benefits was solid, the right carrier and the appropriate plan were lined up, and the back-office administration was ready to roll. But no one asked how the drivers would be notified of this opportunity. It turned out that obtaining their names and addresses was blocked by privacy concerns. The outreach consisted of the passive posting of information on a web site. Fewer than two dozen drivers signed up, and the program failed.

The best partner for your company will offer expertise in enrollment, including assessing what kind of information campaign is needed and how to reach the workforce most effectively. Call centers should be equipped to handle questions and user-friendly technology should be used to smooth out the process.

A Strong Foundation

The actual components of a health benefits plan are important to a company's workforce. But how effective the administration of that plan is, how well the coverage matches the company's specific needs and how employees are treated by those who carry out the back-office function for their plan are also elements that make a huge difference to employees.

By finding a partner who has administrative expertise, deep connections with carriers, extensive knowledge about plan design opportunities, and the right approach to enrolling the workforce, you will have a solid foundation for successful execution of your benefits plan. Look for a partner who will be in your corner – all four of them.



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Samuel H. Fleet is President and CEO of AmWINS Group Benefits, a leading wholesale broker of comprehensive group insurance programs and administrative services. With more than 20 years of health and benefit experience, Samuel Fleet has proven his unmatched expertise with the rapid rise of his company from a small regional organization to one of the most successful third-party insurance administrators in the country.

Fleet, over the last several years, has positioned AmWINS Group Benefits as an industry leader on group medical programs and administrative solutions for clients across varied industries throughout the country. Focused on providing benefit professionals and their clients a better way for greater long-term success, AmWINS Group Benefits created HealthWINS Limited Medical Benefit plans. Refocusing the limited medical business on what truly matters, HealthWINS focuses on solid plan design, flawless administration, enrollment strategies and carrier relationships. AmWINS Group Benefits maintains solid, long-term relationships with a large network of A rated (or better) carriers committed to the limited medical market, filling the needs of more types of clients and providing the highest level of service.

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