

Turning Employee Healthcare into a Strategic Business Advantage



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The Difference Between a “Status Quo” Insurance Broker and a Next-Generation Benefits Adviser

Delivering healthcare to your employees is a growing business challenge. Not only do annual premiums rise year-after-year, but more employees are making career decisions based on benefits plans, especially as pressure on consumer healthcare costs increase as well.

Your benefits plan is more than a simple line-item expense, and you do not have to sink into benefits quicksand with each rate increase. With the right approach and the

right insights, your benefits plan can be a strategic advantage that not only preserves your budget but also drives other key performance factors like employee retention and morale.

To realize this potential, however, you need an expert that does more than the “status quo” insurance broker. **You need a next-generation benefits adviser.**

In this document, we provide you a simple checklist for identifying a next-generation benefits adviser.



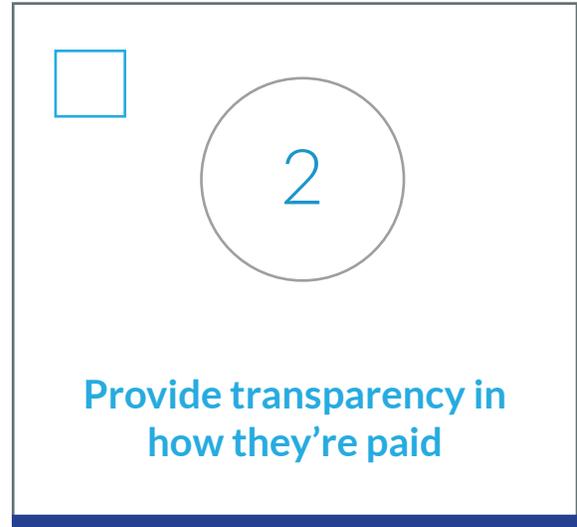
Here's a simple checklist for identifying a next-generation benefits adviser:



1

Use supply chain management to control health care costs

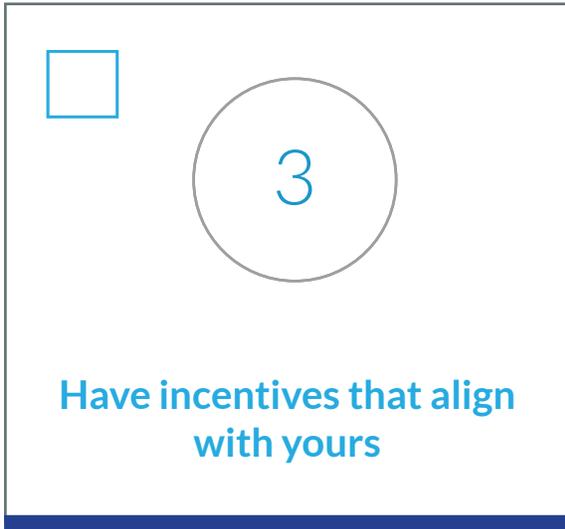
Next-generation benefits advisers break down health insurance plans and healthcare delivery to help their clients save money at each layer of the plan experience. Rather than letting their clients overspend, they think beyond the obvious top-level sticker price of a plan. Exactly how these savings are realized will vary by client, but a next generation plan might leverage alternative prescription drug programs or telemedicine solutions, for example, to cut your costs without limiting the quality of care for your employees.



2

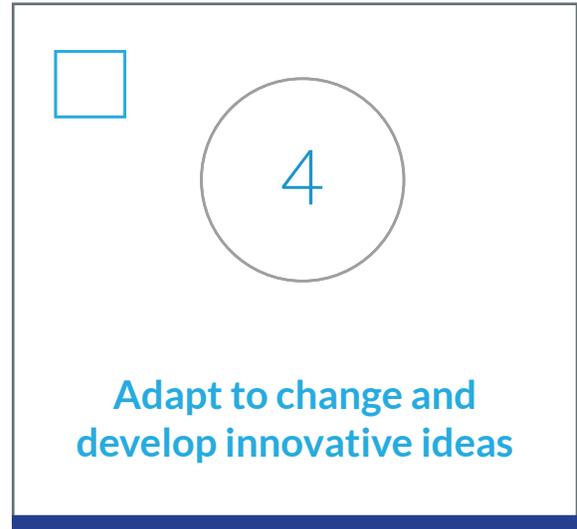
Provide transparency in how they're paid

Generally speaking, status-quo brokers work on commission and aren't always transparent about how a sale that helps them can also hurt you. The standards for brokers are evolving, but there's still often a disconnect between value and what brokers are being compensated. A modern advisor should be proudly transparent, happily sharing what they're doing and how much they're charging for their services. At the same time, the impact on your business should be visible as well. That means that in many cases a next-generation benefits adviser will only make money if they save you money.



Have incentives that align with yours

An ideal relationship between a client and adviser will see both of their motivations and incentives aligned. Status-quo brokers are more likely to simply pursue a basic commission, which can ultimately have a negative impact on clients as it incentivizes the sale size over plan performance. A next-generation benefit adviser's incentives, however, are in line with the client's – they might receive additional compensation for activity, but their primary pay is derived from the outcomes they help produce. This ensures that they always have their client's best interests at heart.



Adapt to change and develop innovative ideas

Your adviser should not only be unafraid of change, but he or she should embrace it. A true next-generation benefit adviser will consistently present new solutions, strategies, and products as they become available to drive your business goals. This means that your plan should evolve over time, and renewing for the year should be more than changing dates on a document. A complacent broker will overlook opportunities for innovation, which can hold your business back in the short and long-term as you lose control of benefits costs.



Engage at the strategic level rather than focusing on specific products

Where status quo brokers are largely tactical focusing only on short-term operational problems, a next-generation benefit adviser will focus on how to make a meaningful “big picture” impact, building a plan that drives key business goals. Specific tactics and products will naturally come into play but not until the adviser has engaged the key members of the leadership team to gain critical insights into the business

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The process of choosing an adviser and healthcare plan should be treated as more than just a box to check on your to-do list. A status-quo broker isn't going to treat your plan as something that can help your business, but a **next-generation benefit adviser will approach the process with insight and innovation.**