

Employer's Balancing Act: Part 3

The Role of an Experienced Advisor in Your Employee Benefits Lifecycle

In parts one and two of this series, we examined several key factors contributing to the higher costs employers must pay to offer health benefits to employees, and outlined a practical four-step process that they can use to help contain those increases. In this final installment, we examine the important role benefits advisors can play in helping employers effectively drive down the cost of health benefits.

Since the pandemic, U.S. employers have faced a barrage of challenges, including structuring cost-effective, yet competitive health benefits to help attract and retain talent.

Fortunately, experienced benefits advisors can be an important ally for employers in the constant struggle to offer competitive health benefits at a cost that's palatable and sustainable. What specific support and solutions can a seasoned benefits advisor offer that can help provide value, improve risk management, lead to better outcomes, and lower costs?

Use this checklist to become more familiar with the key ways your advisor can help turn current benefits challenges into cost-saving opportunities.

Discovery

To help employers uncover issues in employee populations that may contribute to higher costs, experienced benefits advisors can help:

- **Gather information** about your current benefits offerings, organizational culture, and employee demographics.
- **Conduct interviews** with key stakeholders (e.g., HR leaders) to understand the existing benefits landscape and potential areas for improvement.
- **Survey employees** to understand their preferences, needs, and satisfaction with current benefits.
- **Analyze benefits usage** and participation data to identify trends and gaps.
- **Benchmark existing benefits** against those offered by competitors to see how they stack up and offer a strategy to help you better compete for talent if you need to enhance them.

Planning

To help employers offer an expanded array of flexible benefits, experienced benefits advisors can often:

- **Suggest how to leverage innovative technology**, such as artificial intelligence (AI) platforms or a virtual benefits assistant designed to:
 - Answer questions from employees about services.
 - Help reduce the workload on benefits and HR teams.
 - Streamline the open enrollment process.
 - Create a more personalized experience for employees.
 - Offer access to mobile health apps that support ongoing medical treatment and health monitoring.
 - Help employees locate best-in-class hospitals and providers, which can lower medical costs and improve the level of care employees receive.

In addition, advisors can share insights about how technology solutions can facilitate the delivery of benefits. For instance, when AI-enabled communication is paired with claims data, it can send automated messages to direct employee behaviors away from using more expensive healthcare delivery sites and toward more cost-efficient ones to help lower costs.

- **Prioritize API connectivity to enhance the benefits experience.** Because they have experience in the entire benefits ecosystem, advisors can provide resources and recommendations about how to seamlessly connect different IT systems of carriers and vendors, share data, and provide visibility into how benefits are working together in real time.
- **Discuss alternative funding options**, including self-funding, level funding, reference-based pricing, and captives. Benefits advisors can help you understand how they can be a choice over fully insured models of healthcare (i.e., where employers pay health insurers for coverage) and a way to manage healthcare costs over the long term.
- **Help structure a captive feasibility study.** If your organization has less than 300 employees and is considering self-insurance as a cost-saving strategy, a benefits advisor can help you decide whether a captive arrangement is right for your organization. Captives spread the risk of paying higher health insurance costs across the pool of employees from other similar-size groups in the same industry, instead of absorbing that on your own. Plus, they allow wider optics into utilization data, which can make it easier to see increasing cost trends and provide a better chance to reverse them before they get too big.
- **Review how voluntary benefits can help cover gaps** and supplement traditional offerings. Often, benefits advisors can counsel about how to afford the extras employees and recruits may want, such as life insurance, pet insurance, vision, and dental coverage, and how to pay for them (either in part or in full) through payroll deduction.
- **Guidance about how to separate out pharmacy benefits.** If your health plan uses a pharmacy benefits manager (PBM), a knowledgeable benefits advisor can help you identify whether you can separate or carve out these benefits from your health plan. By unbundling these services, they may often help eliminate unnecessary fees, make it easier for employees to get medication, and save on the cost of pharmacy benefits in a health plan.
- **Scrutinize telehealth services.** Many benefits advisors can help employers find carriers that offer a full range of telehealth services, which can provide more convenient, cost-effective care for a variety of illnesses and conditions. Telehealth appointments generally bill for less than in-person services, which can keep expenses down. And since they're virtually accessible, telehealth services can accommodate more work-from-home employees, help limit employees' time away from work, and in turn, reduce lost productivity due to off-site doctor appointments.

Implementation

To help employers adopt different strategies to contain costs and manage expectations when care is needed, benefits advisors can help you:

- **Select providers with a proven track record of savings.** Often, benefits advisors can provide specific examples and case studies that demonstrate how a provider drove efficiencies or eliminated cost increases for an organization like yours — so you can be confident in the decisions you're making for your benefits program.
- **Choose providers that offer customized employee communications, training sessions, and workshops** to help you promote the benefits you offer to employees throughout the year — not just during open enrollment. This way employees remain engaged and aware of best practices and appropriate utilization of care options that can help keep costs down for everyone.
- **Evaluate behavioral health options**, including employee assistance programs (EAP), that can offer a robust range of services to address mental health issues in the workplace and easy access to them. Plus, benefits advisors can point out which health insurance plans cover these services along with value-added benefits and any limitations.
- **Manage vendors and service providers** to ensure a smooth integration of services in a benefits program — at the terms and prices agreed to.

Evaluation

To help employers assess what's working, what's not, and how to adjust and move forward, benefits advisors can:

- **Continuously analyze data** related to benefits utilization, employee feedback, and costs to pinpoint trends and areas for improvement.
- **Orchestrate continuous feedback** from each step in the benefits process to gauge a program's effectiveness and gather suggestions for enhancement.
- **Meet on a regular basis** to share updates, review benefits trends (e.g., remote work, mental wellness initiatives, etc.) address concerns, and discuss potential modifications.
- **Advise about compliance matters**, particularly on legal and regulatory changes that could impact a benefits program's design or administration.
- **Monitor open enrollment** to identify bottlenecks or confusion. Even after open enrollment is complete, advisors can help you to survey employees to collect constructive feedback about the process and use it for future improvement.
- **Offer recommendations** for refining a benefits program based on changing employee needs and feedback.





In Summary

Employee benefits advisors can play a proactive role in guiding employers through the entire process of benefits discovery, planning, implementation, and evaluation. An advisor's responsibility is to help ensure that your benefits program remains effective, competitive, and aligned with the needs of both the organization and its employees.

Backed by a full team of highly specialized professionals, including trained clinicians, our benefits advisors can help analyze and leverage tools and techniques, broaden optics into the health conditions and behaviors of employees, identify costly trends, and share actionable steps that can help employers contain costs.

Contact us to learn more about how we can help you throughout the benefits process.

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