



BREAKING OUT

Strategies to Create Extraordinary
Value for the Benefit Professional

**ARE YOU A GROUP
HEALTH SALES PERSON
OR A
BENEFIT CONSULTANT?**



The Complete Benefit Professional

**WHY SHOULD I DO
BUSINESS WITH YOU?**



**MARKETING HEALTH
INSURANCE**



MARKETING OUTCOMES

Experiment By Marketing With

- Ancillary Products (employer and employee paid)
- Executive Benefits
- Small Group Retirement Plans
- Voluntary List Bill Products
- Wellness
- HRIS / Payroll

THIS IS A CAN'T LOSE STRATEGY!

You benefit regardless of health reform

If Health Reform Fails

- You develop a back-door into the health insurance sale
- Off-renewal sales and prospecting
- Maintenance-free sale
- Less competition

If Health Reform Succeeds

- You will already have an ongoing sales strategy
- You will already have a non-health insurance stream of income
- You will be way ahead of your competitors in adapting to the new reality

**DO YOU HAVE CUSTOMERS
OR CLIENTS?**

DOES IT MATTER?

Customer

One who buys goods or services.

A customer sees the agent as a vendor

The Relationship is Transactional

Client

A customer with whom the agent has established a long-term, meaningful and on-going relationship.

A customer that looks at the seller as a trusted advisor.

What do you do to provide value as a trusted advisor?

Client

The Trusted Advisor creates

**A Relationship that is
Transformational**

**WHAT DOES AN EMPLOYER
WANT FROM YOU?**

The employer wants you

- To help him achieve his benefit objectives

What are those objectives?

Employer Objectives

- Attract employees
- Retain high quality employees
- Improve employee morale
- Improve employee productivity
- Retain key executives

And

DO IT WITHIN BUDGET

**HOW IS A DISCUSSION OF
“WITHIN BUDGET”
DIFFERENT
THAN
A DISCUSSION OF
PRICE?**

Initiating the Budget Discussion

- Do you want to shop your health insurance (or each benefit) independently of other benefits or are you interested in achieving the best overall benefit program within the constraints of your corporate budget?

Innovative Health Insurance Solutions

HSA Goals

- Provide immediate premium savings
- Have employees take responsibility for medical care decisions
 - The role of the Debit Card
- Long term cost control (how?)

HRA Goals

- Immediate cost reduction
- Create fund too offset future rate increases
- Give the employer control over plan design
- Maintain current benefit levels at reduced cost

Medical GAP Goals

- Immediate cost savings
- Shift HRA risk to an insurance company
- Maintain benefits at near current levels
- Create fund for future cost control

Successful GAP Strategy

- Change coinsurance from 80/20 to 50/50 or 60/40
- Increase deductible incrementally
- Retain MD and RX co-pay
- Work with GAP rates and design

**YOUR VALUE IS IN THE
QUESTIONS THAT YOU ASK**

Questions to ask

- Are you most interested in the lowest premium today or a strategy to get control of future costs?
- What benefit goals are you trying to accomplish by offering benefits?
- How important is employee perception in achieving your benefit goals?
- Which is more important today – maintaining the current health plan benefit levels or increasing overall benefits without increasing cost?

More Questions

- Is it important that your agent help employees with chronic illnesses such as Diabetes connect with the disease management folks at the carrier?
- Would it be of value if we can add a wellness component to your program?
- Have you had sick or injured employees return to work before they were fully recovered because they needed their paycheck?
- Would it be of value to you if we can change that?

A NEW APPROACH TO PROPOSAL WRITING

Part 1

Current Situation

The Advance Widget Company is a Michigan based manufacturer of first line blue widgets. They have additional locations in Texas and New Jersey. Currently Advance has 55 employees with 30 employees in Michigan, 12 employees in New Jersey and 13 employees in Texas. Jane Doe, Human Resources Director for Advance Company oversees the employee benefit program. Jane has a staff that includes one full-time assistant and one part-time assistant that is shared with finance.

Part 2

Current Benefits

The ABC Widget Company currently provides the following benefits:

Medical Coverage

- Currently the company provides medical coverage through Blue Cross of Michigan. Their current plan is a PPO product that utilizes an extensive provider network. Currently the plan includes the following features:
- \$1000 deductible
- \$2000 out of pocket based on a 80/20 co-insurance after the deductible
- Doctor visits require a \$25 co-payment
- Prescription Drugs have a \$25/\$40/\$50 tier structure
- The current rates are:
- Employee \$325 per month
- EE + Spouse \$600 per month
- EE + Children \$575 per month
- Family \$875 per month
- Advance Widget currently pays 100% of the employee cost.

Part 3

Employer Goals

Objectives

Advance Widgets has the following objectives in providing an employee benefit program:

- Improve Employee Retention
- Currently the company is experiencing a 20% turn over rate each year. According to Jane Doe replacing a trained employee is very expensive. If retention can be improved the company would save a significant amount of money.
- Impact employee morale and productivity
- The company leadership believes that if employees had a better understanding of their benefits this would significantly improve morale. Leadership feels that employees do not currently understand their benefits and undervalue the cost of the program.
- According to Jane Doe the current broker has never addressed this issue.

Objectives Continued

In shopping the health plan Advance has the following goals:

- Develop a plan design that would help control future costs
 - While it is certainly important to find an affordable plan design, long-term rate stability is somewhat more important. Any plan design change must not negatively impact employees.
- Manage employee perceptions
 - Any change in plan design must be carefully communicated to employees in a manner that helps them view the changes in a positive light. Buy-in from the rank and file is imperative for any strategy to be effective.

Part 4

Measurements of Success

Advance Widget Company would use the following benchmarks as indicators of success:

- Premiums will remain the same as or close to current premiums
- Employees will report that they are happy with any changes
- Three months post enrollment employees will be able to explain their benefits on a survey
- The Human resource Department will experience a decrease in benefit administration issues

Part 4 Continued

Measurements of Success

In measuring Broker Effectiveness success will be determined by:

- The decrease in the number of claims issues that HR receives. One of the criteria by which brokers will be chosen is the ability to communicate to employees that any and all issues be addressed to their office.
- Ongoing communication with the broker or a representative beyond solving problems and shopping the renewal. The current broker has not initiated any ongoing communication.
- Successful implementation of the online employee benefit website.
- Timely and successful enrollment of employees in the new plan.

Part 5

The Solution

This proposal consists of two parts. Part 1 is the health plan from the perspective of the employee since how they perceive the plan is critical to the plan's success. Part 2 will present the plan in its component parts so that management can understand the mechanics behind the recommendation..

Part 5

The Solution

Employee Perception.

- Unlike the current plan there will be first dollar coverage for any inpatient hospital stays. The plan will pay 100% of the first \$1500. For outpatient expenses such as an MRI or CT Scan the plan will pay 100% of the first \$750 after a \$500 deductible. The employee would pay 100% of the next \$1000 (current deductible of \$1000 before any expenses are paid). The plan then pays 70% of expenses until a maximum out of pocket of the current \$3000 is reached.
- The \$25 doctor visit co-payment is replaced by a \$75 per doctor visit reimbursement. This should result in less than the current \$25 cost of today in most cases.
- The prescription drug co-payments are the same.
- In addition to first dollar coverage the dependent premiums will remain unchanged. This combination should result in an excited and happy

Part 5

The Solution

Actual Design:

- The United Healthcare Plan will have no doctor visit co-payments included. There will be a \$2500 deductible before benefits will be paid after which the plan has a 60/40 coinsurance. The prescription drug card remains unchanged. (See attached for complete plan description)
- The first dollar coverage is provided by the GAP Plan with American Public Life. Benefits are 100% of the first \$1500 for inpatient expenses and \$750 for outpatient expenses exceeding \$5000. In addition the plan includes up to \$75 per doctor visit as a reimbursement. (See attached for complete plan description)
- Advance will pay 10% of the coinsurance between the \$2500 deductible and the next \$10,000 for a maximum potential cost of \$1000. This is only incurred for those employees that exceed the deductible.
- Total employee premium per month: \$275
- Savings per employee per month - \$50 / Per year \$600
- Potential savings: \$33,000
- Expected savings: \$23,000. This should be accumulated in a segregated account to offset future rate increases.

Part 6

Expected Outcomes

- Employees will perceive an significant increase in benefit levels which will help Advance realize their goal of improved morale and productivity.
- Premium stability should impact the turnover since employees will not see income reduced.
- Premium savings will help achieve rate stability over the long-term.
- The communication process that Great Benefit Company will utilize will result in improved employee understanding of the benefits as well as the value of these benefits.

Part 7

Joint Responsibilities

- Joe Agent will utilize a custom designed benefit communication piece (see attached) to ensure that employees understand the new benefits
- Joe Agent will handle employee meetings. Group size per meeting should be limited to no more than ten employees to maximize the ability to communicate and ask questions.
- Jane Doe will schedule the meetings and participate in them as a show of corporate interest in the employees.
- Joe Agent will spend two days with Jane and her staff to train them in the use of MyBasicGuru – the online benefit management tool.
- Joe Agent will ensure that all forms and handouts are prepared and available for enrollment.

Final Pages

- About Joe Agent
- Actual carrier plan printouts
- References

THE COLD CALLS MADE THE GOLD CALLS MADE EASY SYSTEM

*Steps to Sales and Marketing
Success*

IT IS ABOUT THE QUALITY OF THE APPOINTMENT NOT THE QUANTITY OF APPOINTMENTS

This is the foundation of the Objection-
Free Selling System

The High Quality Prospect

- Knows the exact idea or product that you will be meeting about
- Has an interest in that idea or product
- Is open to making a change
- Can make the decision (or at least is a strong influencer) to change

**Recognize that you
may have to try two
or three different
strategies**

Step 1 – Target Market

- By employee size
- By industry
- By geographic area

Step 2 – Choose Product or Service

- Identify one product or service as your focus
- List the benefits of that product or service

Benefits

Translates the product or service into the potential outcomes that can be delivered

Choose Your Marketing Tools

- Know your budget
- Potential tools
 - Telemarketing (do-it-yourself, outsource, hire in-house)
 - Direct mail
 - E – Marketing (websites, email, e-blasts)
 - Public Speaking (associations, civic clubs, chambers, public seminars)
 - Expert Writing
 - Trade Show Exhibiting

CALL – EMAIL – CALL

CALL – EMAIL – CALL

***The Perfect Prospecting
System***

Pre-Planning

- Create a one-page website or a hidden page
- Secure an email tracking system
- Develop telemarketing script
- Secure a strong list (salesgenie.com)

Sample Script

Hello Mr. Prospect, my name is John Smith, a local benefit professional and I have an idea that has helped many of my clients improve their dental plans by eliminating the annual deductible while simultaneously lowering premiums.

All I would like to do today is send you an email with a link to online video that can provide more information, would that be agreeable?

Send Email and Call

- Utilize email tracking system (fasttrakker) that notifies you when the email is opened and when the prospect clicks the link *(The moment they have the most interest)*
- Call immediately upon notification
 - Mr. Prospect this is John Smith and I was just checking to see if you received the email and if you had a chance to visit the website
- Ask for the appointment

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