



4 Characteristics of an **Excellent Benefits Broker**

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Employee Benefits are more important – and costly – than ever

The significance of employee benefits can't be overstated, as they have a major effect on an employer's ability to attract top talent and keep key performers happy and loyal.



Fifty-nine percent of employees who are “extremely satisfied” with their benefits feel the same way about their employment in general.¹



Three in 10 employees say that, apart from a higher salary, better benefits is the top reason they are actively looking for a different job.²

There's no arguing that companies should strive to offer the most comprehensive benefits possible, but doing so within a realistic budget has become increasingly difficult. That's why many employers turn to a benefits broker to serve as their trusted advisor. But how do you know what to look for when choosing a broker for the first time? Or how do you know if you've made the right choice?



Separating good from great

Whether they act as independent agents, as part of a team or in connection with particular healthcare providers, brokers use years of experience and expertise to connect businesses to the benefit plans that best match what their employees want and that are in line with the company's financial position.

Skilled brokers put a personal face on the carriers they represent and make a concrete case for the value of various coverage plans, while also standing up for your company's interests. This is especially true of independent brokers who have no direct connection to any specific insurer.

But these are qualities all brokers share (or should). So what separates a good benefits broker from an excellent one? Is it approachability? Connections to a half-dozen or more benefits carriers? Acumen with a particular industry or a specific type of coverage? Pedigree? Regulatory expertise? Favorable costs for their services?

The answer is all of the above.

In this eBook, we'll explain the most important characteristics and why they matter.



What makes an excellent benefits broker?

The right credentials

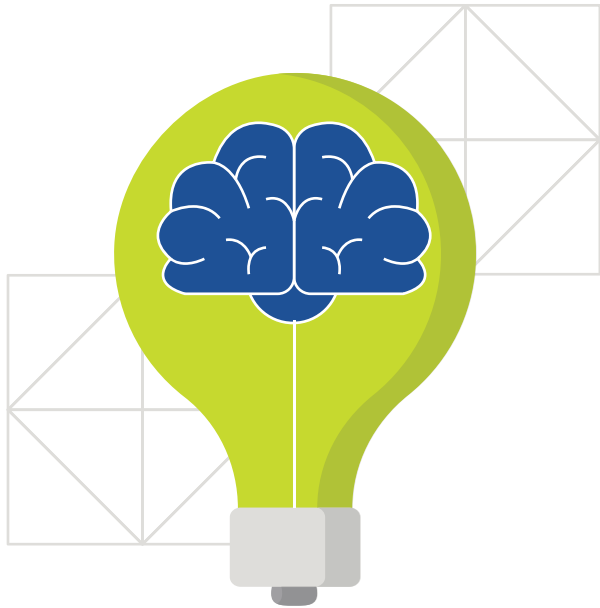
Education, licensure and accreditation should factor heavily into your evaluation of benefits brokers.

For starters, an excellent broker can prove that he or she is licensed. Licensing conditions vary by state, but there is no U.S. state in which licensure isn't required to be a broker, including the District of Columbia.

! FUN FACT:

In the state of Mississippi, it's easier to become a private investigator than it is to be an insurance or benefits broker!

By contrast, certification isn't mandatory. That means it's something you'll see on the resume of a benefits broker who goes above and beyond, particularly if that certification comes from the National Association of Health Underwriters (NAHU). The NAHU has different levels of certification, but the Registered Employee Benefits Consultant designation may be the broadest and most important for your needs.³



What makes an excellent benefits broker?

The right knowledge base

There's something to be said for a jack-of-all-trade in benefits brokering.

Businesses with limited HR staff may find "renaissance brokers," as the Society for Human Resource Management (SHRM) calls them, extremely valuable.⁴ These brokers can explain the essentials of virtually every type of employee coverage.

Other organizations may prefer a broker with specific licensure and experience. For example, if you often have employees who chose to purchase individual plans, it may be wise to work with a benefits broker certified in individual health insurance.

Alternatively, if your company operates in an industry where Medicare, Medicaid, the Patient Protection and Affordable Care Act or HIPAA compliance factors heavily into your benefits decision-making, you'll want a broker with lots of experience with these laws and regulations.



What makes an excellent benefits broker?

The right level of communication

The most successful brokers are those who deliver on their promise of excellent service. And their service should not start and stop with you and other HR professionals; it should extend to your employees as well.

When evaluating brokers, ask if their services include employee meetings and/or enrollment assistance. A knowledgeable and experienced broker can often break down the complexities and nuances of a custom benefits package for your employees.

With a better understanding of their benefit options, employees are more likely to select the benefits plan that best meets their specific needs, resulting in greater satisfaction with the benefits enrollment process.

They also are less likely to contact HR with simple questions or to make errors during open enrollment, helping to alleviate some of the administrative burden HR typically deals with during open enrollment.

TIP:

If a broker offers to help develop benefits language for your company handbook, take advantage of this service.



What makes an excellent benefits broker?

The right service philosophy

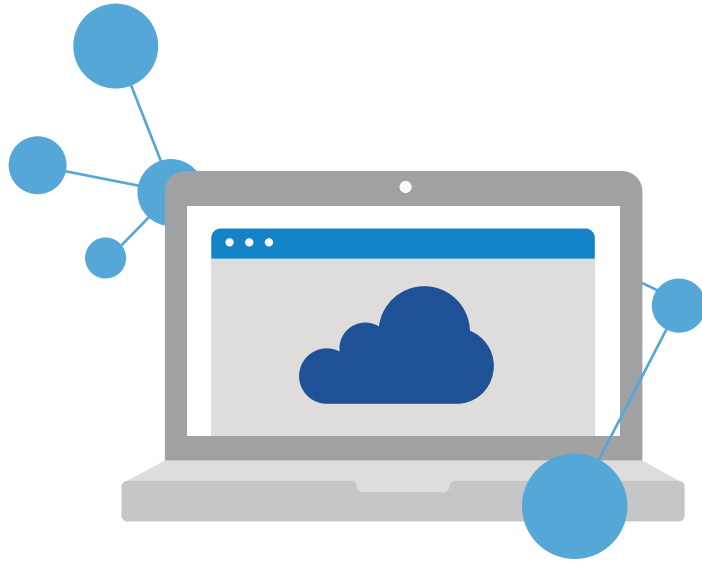
No relationship your business has with its vendors should end at the signature line. That includes your relationship with your benefits broker.

Brokers who care about client retention will proactively work with you year-round. They will analyze enrollment and usage throughout the year and approach you with their findings up to six months before your renewal date. This will provide everyone involved ample time to review the data, gather competitive quotes and make the best decision for the company and employees.

It's also important for your broker to keep up with any changes in your company's needs or objectives to ensure your benefits adjust accordingly. This can be accomplished through periodic reviews and regular communication.

TIP:

If you aren't receiving this level of service from your current broker, it may be time to start looking.



What makes an excellent benefits broker?

The right technology

Benefits brokers face fierce competition. To differentiate themselves, they need to offer more than employee benefits and consulting. They should serve as your trusted advisor, recommending tools, technologies and services that can help your company stay competitive and achieve its goals.

Good brokers understand how specific technologies such as benefits enrollment, payroll and HRIS systems integrate and strengthen the services they provide. As such, they have taken the time to research and evaluate several HR/Human Capital Management (HCM) solutions and are positioned to help their clients identify the best solution to address their biggest pain points.

The best brokers consultatively partner with your organization to offer the best technology, support and beyond. These brokers are interested in working consultatively with you to ensure that the technology they're presenting will meet your specific needs. If their solution doesn't do what you're looking for, they will be open and honest about it.



Good, better, best:

Where does your broker fall?

Employee benefits are an increasingly important—and complex—element of a successful business.

You have to offer a competitive benefits package to attract and retain the best talent, but you must do so without sending your company into bankruptcy. An experienced and knowledge broker can help you achieve this goal, but the best brokers want to do even more.

The best brokers consultatively partner with your organization to offer the best health insurance and voluntary benefits package, technology, support and beyond. They are invested in your company and in your employees, and they want all parties to be successful. They will demonstrate this through their credentials, knowledge, communication, service and approach to technology.

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