

UNEQUAL CHOICES: FIVE QUALITIES TO CONSIDER WHEN REVIEWING INSURANCE CARRIERS

Contributed by Karen Gustin, LLIF, Ameritas Group, Lincoln, Nebraska



During the past 10 years, healthcare benefits have increased more than 140 percent, becoming the number one expense for many companies in the U.S. Many business leaders are taking a closer look at their employee insurance packages in hopes of finding ways to bring budget expenses under control. While there are many options for reducing benefits costs, a quality insurance carrier will work with you to find the best solutions, and partner with you in designing the right mix of cost-effective benefits plans for employees.

FIVE VITAL PARTNER CREDENTIALS

To find a strategic insurance carrier, look for the following five attributes:

1. Reputation Counts

In today's market situation, it's critical to work with insurance carriers and sales representatives who provide accurate information, honest advice, and solutions-based plans.

Invest time in reviewing insurance carriers, looking for those experienced in working with companies similar in size and market scope to yours. Evaluate each prospective carrier's business philosophy, spectrum of plans, flexibility in plan design, depth of network providers, and claims processing and customer service.

2. Knowledge and Experience Are Vital

A strategic insurance partner should offer a variety of solutions to fit your needs, provide an analysis of healthcare benefits offered by competitors, identify costs and trends, and design appropriate plans. All insurance carriers are not the same. Each carrier has different strengths, capabilities, and business philosophies. Few have the flexibility to design a range of plans, and many offer canned options with a few set features to minimize administrative work.

Take time to read the fine print. Compare the coverage levels, features, participant qualifications, and any disclaimers listed in the proposal or contract. Some carriers price plans unusually low the first year to gain new business, and then at renewal time they often increase rates to cover losses incurred the previous year. Check the carrier's persistency rate with employers. Contact previous customers about their experience and satisfaction level with the carrier's pricing and plans.

3. Insist on Integrity and Trustworthiness

As you research insurance carriers and brokers/producers, look for carriers that are interested in designing the right plans for your employees, rather than protecting their profit margins. Work with sales reps who will be trustworthy counselors—more interested in your success than in building their sales

commissions. A sales rep who has your best interests at heart will be objective about your benefits choices and decisions.

4. Evaluate Carriers' Flexibility in Customizing Plans

Given today's complex business world, it's best to work with insurance carriers that offer flexible benefits options. Look for insurance carriers with a broad spectrum of plans that can be customized to fit a variety of employer needs, such as multiple product options, provider networks large enough to serve company locations across the country or the willingness to build a network panel specific to your needs, and administration of self-funded or voluntary plans.

5. Ensure It's Real Customer Service; Not Lip Service

Many insurance companies talk about providing great customer service, but few actually deliver. Look for carriers that provide the customer service you expect, such as those who actually answer the phone and have caring associates who are knowledgeable about claims and can efficiently answer questions or resolve any problems.

THE FINAL CHOICE MAKES THE DIFFERENCE

There are many insurance carrier options, but only a few will provide benefits solutions that will support your needs. Look for carriers that have an excellent reputation, offer a broad spectrum of quality plans and caring customer service, and are committed to honesty in business transactions.

Karen M. Gustin, LLIF, is vice president-group marketing for Ameritas Group, a division of Ameritas Life Insurance Corp. (a UNIFI Company), with headquarters in Lincoln, Nebraska. Ameritas is one of the nation's leading providers of dental, eye care and hearing products and services. Gustin's tenure with Ameritas Group spans 25 years. She is involved with the National Association of Dental Plans (NADP), serving on the board and chairing the Statistical Task Force.

For assistance in understanding insurance plans and carrier choices, or comparing coverage options, contact the Ameritas Group marketing department at 800-776-9446.