

Changing Providers: Seeing Opportunity, Not Obstacles
Program implementation can be a catalyst for growth, change and improvement



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The last installment of the Get More series focused on finding “best of breed” services. Progressive companies want to work with the best in class – experts who specialize in a particular product or service. They also expect no less than the best when changing providers. They want seamless implementation that offers streamlined processes, enhanced productivity and maximized technology. Perhaps most of all, they want a provider who minimizes their involvement and work during the transition.

Every year, hundreds of benefits plans are examined and RFPs are distributed. As brokers and consultants, you can use these opportunities to help your clients find providers with whom they can forge a long-term partnership. In this installment of the *Get More Out of Life* series, we’ll explore:

- Employers’ perceptions of change and how you can help identify and overcome their concerns when a plan comes up for bid.
- A list of qualifying questions you can use to help employers decide what kind of carrier would fit them best.
- How carriers can make the transition from a previous provider easier for the client.

Why change?

Changing plan providers is not a flip-of-a-switch process. Rather, it is a complex, interdependent series of tasks that must be coordinated and professionally managed. It often involves the transfer of assets and participant records, enrolling employees through a new process and drafting new plan documents. Despite the challenges of learning to work with a new carrier, thousands of businesses consider it each year. Here are just a few reasons why:

- Concern about plan performance or cost
- Dissatisfaction with current provider’s level of service
- Failed efforts to increase participation
- Late or inaccurate participant statements or record keeping
- More attractive plan options

Paving the way

Even when there is a compelling reason to change providers, your client may hesitate if past experience with plan implementation has been negative. In this case, your task is to identify a skilled carrier – one that has successfully implemented hundreds of plans – to address concerns the employer may have about:

- **Implementing program changes.** Superior carriers ensure predictable results. Though your client's situation may be truly unique, it's possible to find a carrier that has handled a similar situation and can walk them through the process and let them know what to expect.
- **Difficulties of installing a new system.** A carrier offering innovative technology as part of its standard program will have thorough documentation of the requirements for implementing a new system and will be able to estimate the amount of effort needed from your client's IT team.
- **Communicating plan changes to employees.** More than ever, employees want and need help understanding their benefits. In a recent survey, 62% of employees said they did not understand which benefit options were right for them. Carriers who can provide personalized and targeted enrollment materials – and anticipated response rates for specific industries or employee groups — will assure optimal plan participation.

Finding a match

Beyond cutting costs, implementing a new benefit plan offers an employer the chance to improve processes, educate employees, increase participation rates and make plan design changes. Helping your clients switch to a different carrier can be a productive experience that strengthens your relationship and builds their trust in you. The key is to match the right provider with your client's needs.

The following questions can help you determine which carriers would best meet the needs of your client in delivering a positive implementation experience.

Providers who make implementation a core competency:

- **Take time** to learn the client company's culture.
- **Adjust** to the client company's procedures.
- **Provide** structured and clear communication.
- **Offer** the latest technology capabilities to all clients.
- **Proactively address** problems and can handle the unexpected.
- **Measure** satisfaction after the implementation.

Do the carriers you are considering:

- **Get to know your client?** A savvy carrier will want to learn all it can about your client and the way it does business. When team members listen closely to your client's concerns and do their homework absorbing information from existing plan documents, your client's time spent educating them is kept to a minimum.
- **Do things your client's way?** The best providers follow the credo that clients make the decisions while the carrier does the work. Does the provider have the resources, expertise and commitment to effectively implement a new plan while minimizing effort on your client's part? Is the provider willing to customize its processes to your client's standards and requests?
- **Provide a communications structure for the transition?** Does the provider have a detailed plan for implementation that includes key dates and timelines based on agreed-on goals and roles and responsibilities? Are weekly status calls between the carrier's team and you and the client part of the plan to assure promises are being kept and the program is delivered on schedule?
- **Offer best practices and current or cutting-edge technology?** Learn from a carrier's current clients if what they say their technology can do is actually what they deliver. From contact centers to online enrollment, billing administration to reporting, make sure your client will be getting the latest capabilities.
- **Take a proactive approach to implementation?** Does the provider have a history of anticipating problems and dealing with them before they escalate? Does it practice continuous process improvement? If a mistake does occur, what's the provider's protocol for service recovery?
- **Follow up and measure client satisfaction?** Once the plan is implemented, does the provider measure client satisfaction regularly? Does a carrier who looks good on paper have the implementation track record to match?

Make it painless

Ideally, the transition from one plan to another should be transparent: nothing “falls through the cracks” and effort on the part of the employer is kept to the bare minimum.

Successful group life insurance implementations have four common, crucial elements.

1. **Strong project management**

A dedicated implementation coordinator is accessible to your client throughout the transition and is responsible for overseeing all the details of the process.

2. **A time-tested process**

A team of experts works from a time-tested, detailed implementation plan with checklists, tasks, accountabilities and timelines for each function. At any point in the implementation process, the client should know which steps are in progress and who is responsible for carrying them out.

3. **Process improvement through technology**

Technology solutions that stand alone or can replace or be integrated with existing systems are employed to enhance plan participation and communication and/or reduce your client’s workload. Leading-edge solutions include:

- Personalized and targeted enrollment communication
- Online self-service for employee enrollment, evidence of insurability, paramedical scheduling, account and beneficiary management
- Online self-service for benefits administrators for plan design, reports, forms, underwriting, claims submission and status

4. **Creative solutions to unique requirements**

While making sure no element of implementation is missed, the best implementation teams also expect the unexpected and remain flexible to handle challenges such as:

- Grandfathering existing coverage
- Integrating groups assumed through acquisitions and mergers
- Handling executive groups and VIPs
- Consolidating multiple plan designs into one policy
- Introducing new plan design features or rate increases
- Coordinating eligibility and disability definitions with other benefits
- Establishing guaranteed coverage parameters

We care what clients think

Minnesota Life surveys **every** newly implemented client to measure satisfaction with the following:

- Overall implementation process
- Implementation coordination
- Executing plan design requirements
- Medical underwriting, claims and administration processes
- Enrollment communication
- Technology enhancements
- Productivity savings or gains realized by HR staff

The results of these surveys, as well as “debriefing sessions” with you and your clients, help us to continuously improve. By applying the best practices gained from hundreds of successful implementations, we consistently earn 100% satisfaction ratings from new clients.

About Minnesota Life

With \$500 billion of life insurance in force, Minnesota Life is the nation’s fifth largest group life insurer. The company has provided customized group life insurance programs to government, business, and associations for over 90 years, and is highly rated by the major independent rating agencies that analyze the financial soundness and claims-paying ability of insurance companies. To find out more about Minnesota Life’s Group Insurance, visit www.lifebenefits.com or call our National Sales Office at 1-800-606-LIFE (5433).

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MINNESOTA LIFE

Minnesota Life Insurance Company
A Securian Financial Group Affiliate

Group Insurance
www.lifebenefits.com

400 Robert Street North, St. Paul, MN 55101-2098
1.800.606.LIFE (5433) • 651.665.7898 Fax

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