

# AGENT'S SALES JOURNAL

## From Employers to Employees: How to Succeed in Tomorrow's Small-Business Market

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If you could examine the employee benefits sales toolbox of **tomorrow's successful insurance agent**, you would discover three items that do not exist today, particularly for those operating in the small and medium-sized business markets: integrated decision-support software and call center services designed for individual employees and their families; affordable **wellness and lifestyle management resources**; and methods to educate employees about how they can become better health care consumers.

Agents who handle small groups may be shaking their heads and thinking, "That advice can't possibly apply to me; I can't afford to do those things." Yet this is exactly what your competitors will offer, often by partnering with outside resources to gain affordable infrastructure and efficiencies. Our business is migrating from serving employers to focusing on employees and their families.

### **Tool #1: Decision-support devices for individuals and families**

Today, employee benefits agents are targeting their efforts toward employers. Sales materials and techniques are designed to help owners or executives decide which plans will best serve their company. Employers control the choices available – and the purse strings.

In tomorrow's marketplace, employers will facilitate the purchase of benefits, but **employees will become the ultimate decision-makers**. The small-business market will become increasingly personalized, particularly if employees qualify to participate in exchanges, where government subsidies may make costs more affordable. Suddenly, it will become more important than ever to guide individuals and their families through an array of options instead of explaining the difference between two company-sponsored choices. Family budget restrictions and customized product offerings will become progressively important to plan design and distribution.

This is a huge structural change. Online technologies integrated with call center support will be essential tools for delivering individual choice in core and voluntary products, as well as others yet to be created. Agents will have to sell their capabilities to employers to get in the door, and then switch gears to address employees as customers – all with different needs. Keep in mind that these solutions exist in part for very large employers today, but have not migrated to smaller groups.

### **Tool #2: Wellness and lifestyle management resources**

While many carriers – and employers – have created wellness and lifestyle management programs to address large-group populations, no one has yet figured out an effective, affordable approach for the small to medium-sized business market. Very few brokers or agencies have stepped into this role, and it is unheard of among those dealing with small businesses. At the same time, everyone acknowledges that individual responsibility is one of the key factors in controlling health care costs. If you can keep employees healthier and affect the rising cost of claims – and, ultimately, premiums – you can offer an advantage your competition cannot match.

Creative solutions could involve one-on-one coaching with wellness experts about nutrition, exercise, and disease risk management. Individuals and family members could also design customized plans and elect to assume more risk by staying healthy and diminishing the need for health care services. In either case, interactions could (and likely will) be channeled through call centers and Web-based analytic software and communications. While independent agents and small firms cannot accomplish this on their own, partnerships with outside resources provide the collective power and aggregate volume necessary for an affordable solution. The small and medium-sized benefits marketplace will realign itself over the next several years with new entrants, evolving partnerships, and significant consolidation.

### **Tool #3: Health care consumer support**

Agents and brokers will need to empower employees and their families to become better consumers of health care services with information, services, and tools. When shopping for a car, a person can initiate the process armed with information about vehicle performance, functionality, comparisons to similar models, and dealer cost. In addition, they are willing to negotiate price.

The health care market operates on a completely different model. Choices are limited because access to comparative information about quality, outcomes, and price is not available. Intelligent, capable people are often guided by a chain of events that usually begins with a recommendation from their primary care physician based on their relationship with one doctor. Depending on the complexity of a case, there may be multiple decision points along the way involving labs, diagnostic services, hospitals, clinics, and aftercare programs. Few individuals know how to compare treatment options or what questions to ask when evaluating a particular service or physician.

In the future, quality and cost measures must be presented effectively and efficiently. **Innovative brokers will play a role in delivering this information.** These decision-support tools will be the first step in empowering patients to be responsible consumers and make informed choices when selecting health care services and professionals.

The role of employee benefits agents will change dramatically in the next three to five years, yet the opportunity for our profession to fill the current void for a comprehensive, trustworthy advisor in the retail health care marketplace is there for the taking. Those prepared for the future will be able to migrate from a traditional focus on employers to serving individuals and families. Check your toolbox: Do you have the equipment needed to achieve this feat?

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