



## **New products, alternative services help solve Catch-22 of small client servicing**

By Robert L. Whiddon

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Health advisers and brokers serving the small business community continue to struggle with a classic Catch-22. If they devote the energy and resources necessary to properly service their smallest clients they end up spending too much time and making too little money. If they limit service, they might improve revenue per account, but they also could sour the client and jeopardize their reputation.

It's a lose/lose situation.

Fortunately the market of service providers seeking to help advisers salvage small employer business opportunities continues to improve and hone their offerings.

Atlanta's Digital Insurance recently branded and expanded its suite of benefits offerings for the small employer market.

The company's INcompass product covers several core areas including cost containment and administrative support. And while the company has provided such services for several years to the small-employer clients of its more than 100 broker partners, the new offering adds several additional services like expanded employee support, online benefits resources, health and wellness management programs and benefit compliance.

"We've spent probably the better part of two years basically saying what are our partners doing above a certain size and how can we reorganize service below a certain size," Mike Sullivan, executive VP for Digital says. He described digital as the R&D arm of the firm's broker partners, which include many of the largest names in the industry, along with smaller regional firms as well. Expanding the company's presence among regional and smaller independent brokers is part of the explanation for the creation of INcompass, he says.

Other service providers aimed at helping the brokerage community better serve their smallest clients are also expanding their offerings. New York's HealthPass is another organization that is trying to help brokers make sense of the small employer market by coordinating with leading carriers and cutting down the time and effort individual advisers spend to satisfy their smallest clients. The company, which was founded through a \$1 million grant from then Mayor Rudy Giuliani to the New York Business Group on Health to develop affordable small business health care options, now offers more than 30 coverage alternatives from several carriers, including GHI, HealthNet, HIP Health Plan of New York, PerfectHealth and Guardian. The organization recently hit a milestone, enrolling its 10,000 member, according to published reports.

HealthPass Executive Director Vince Ashton says small businesses, though challenging to profitably manage, are where brokers need to begin to build their health and welfare practice.

"If you lose one employer or two employers it doesn't really hurt you as much as it would if you have five clients and they are all large clients and if you lose one of them there goes 20% of your income," Ashton says.

Brokers that have gone up market though, struggle with the fact that 80% or more of their time can be spent servicing clients that drive 20% or less of their revenue. HealthPass and Digital, among others, continue to strive to fix that split.

"What we do is we compete on the front end for new business with any other carrier," Ashton says. Taking a piece of business to the carrier community takes time. Taking it to multiple carriers multiplies that time. HealthPass helps streamline that process.

"We're going to give you four different carriers with multiple plan designs. HSAs, in-network only, PPOs, whatever it is that you need, it's all going to be under one roof. We really try to set it up as a microcosm of the marketplace. We try to replicate what's out there in terms of network offerings or plan types."

HealthPass is a purely regional play, but Ashton says some other major metropolitan areas have their own versions of the program. Digital is available everywhere and is likely to raise its profile in the market with the launch of INcompass. Both firms give brokers reasons to investigate what services are available to them, locally and nationally, to boost not only what advisers can offer the small business community, but also improve the business opportunity those employers offer the broker community.



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