

## How HR and Benefits Technology Enhances the Advisor's Value Proposition and Facilitates the Transition to a Consultative Model

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Provisions of the Patient Protection and Affordable Care Act (PPACA) are forcing advisors to hunker down and seriously re-evaluate their business models—from an operational and, even more fundamentally, a value proposition standpoint.

Here's the good news: while the healthcare—and benefits—landscape is changing, businesses will continue to view company-sponsored benefits as key recruitment, retention, and productivity tools. According to the 2012 Deloitte Survey of U.S. Employers, 81% of companies representing 84% of the workforce plan to continue providing health benefits coverage, employer-sponsored health benefits are not likely to disappear (though financial risk will be shifted to employees), employers do not understand the full scope of the PPACA (particularly the areas intended to improve the efficiency and quality of the delivery system), and while employers are concerned about health costs, they are unaware of solutions that could improve the quality of care, and simultaneously reduce cost.

However, that doesn't mean businesses will forever accept the status quo, particularly as costs continue to escalate. Which begs the question: how do agents/brokers remain viable and re-assert their position in the benefits “value chain”?

Administering benefit programs is a complex undertaking, requiring assistance on strategy, design, mitigating risk, financing, delivery, ongoing management, and communication. Simply put, the complexity, costs, and risks associated with employee benefits underscore the value—indeed, the need—for consultants with specific expertise, guiding organizations toward efficient, cost-effective benefit programs that align with broader business objectives.

Today, most advisors use web-based tools. While some are more advanced, robust, or user-friendly, advisors looking to differentiate themselves by moving into a more consultative role can do so by tailoring technology solutions to the customer, using it to improve understanding of their challenges, and build the relationship. Here are some things to look for in using technology to advance the advisor-employer “dialogue.”

- **Modular Solutions.** A web-based benefits solution built on discrete, yet interconnected modules affords the user more choice and customization. This enables the advisor to engage the client in a meaningful dialogue around what the organization is currently using in the way of benefits technology, where it falls short of their expectations, what their overarching HR/business goals are, and pinpoint which modules would be of

most immediate value. Additionally, a scalable solution—one that affords more functionality as the employer’s needs grow—extends the advisor-employer dialogue further.

- **Improving Engagement Through Benefit Portals.** All organizations are looking to improve employee engagement around their benefits. For several years there’s been a move toward consumer-driven healthcare; a properly designed company benefit portal that clearly and effectively routes users to the information and support they need—when they need it—can dramatically increase engagement. A benefits solution that enables the advisor to help create company branded benefit portals will pay significant and lasting dividends, from cementing the advisor-employer relationship to increasing employee engagement.
- **Simplifying and Assuring Compliance.** Working with the employer in implementing a portal that simplifies—and assures—compliance with the new and unfolding regulatory landscape, offers a huge value-add. A portal that provides advisors and their employer clients with a simplified and secure means of distributing and tracking receipt of Summary of Benefits and Coverage (SBC) documents, can represent significant cost savings (non-compliance with the ERISA disclosure requirements of the PPACA costs \$1,000 per employee).

These challenges represent opportunities for agile advisors who are best able to demonstrate their value as trusted consultants, offering everything from compliance to cost- containment to effective plan design. As illustrated, a modular HR and benefits solution that can be incorporated in the “discovery” process, where the advisor works with the employer in customizing a portal to the organization's needs and business objectives, is key in establishing and solidifying their consultative role. Delivering and supporting a technology solution that enables the employer to simplify—and assure—compliance with new regulations, while automating a range of tasks that frees HR to “do more with less,” will further underscore the value advisors bring in illuminating the path forward...and helping employers maximize the return on their benefits investment.

### **About the Author**

Bret Spinks is VP of Marketing for BASIC Guru, a leading provider of HR and Payroll software tools and services ([guru.basiconline.com](http://guru.basiconline.com)). For over 20 years Bret has marketed and developed innovative solutions for the insurance industry.