

What information should small to mid-sized employers receive from their broker during the annual renewal process?

Sadly, during their annual renewal process, companies have come to expect several negative pieces of information from their **insurance broker**. For starts, the information is provided 60 to 90 days in advance of open enrollment, this time-crunch makes it almost impossible to make sound benefit decisions. The information the employer receives outlines a bunch of negative options to choose from often with double-digit renewal increases. The employer is left with the same options as last year such as increasing the deductible and increasing the co-pay, or reducing co-insurance and then passing the increase to employees.

Employers should be receiving benefit plan information from their broker year round, not just at renewal time. The year round broker information flow should include information about market trends, the employer's carrier renewal tendencies. The broker should fully explain the components of the renewal so the employer knows how the renewal is calculated. The discussion should include how claim utilization is used in calculating the renewal, or if the calculation is standard pool rated. Benchmarking data from a number of key industry sources is essential to make sure a company's plans remain competitive in their industry.

Large companies typically have claim utilization data and are able to explore options that best fit their group and are able to customize the benefit plans accordingly. Often small to mid-sized companies feel they don't have good options, this isn't necessarily the case, there are some options available to them. An experienced broker can uncover good benefit planning opportunities that may have been overlooked in the past. mid-sized companies, on the other hand, may not feel like the same outcome is an option for them – but this is not the case.