



A NEW RENEWAL APPROACH TO DELIGHT CLIENTS

With the traditional renewal approach, the broker presents multiple options (including the total cost of each plan, but not how much the employer is responsible for). Once the employer chooses their plan, the discussion turns to how the employer will pay for it. The employer can't budget ahead of time and this is stressful and frustrating.

An alternative option—which many employers prefer—is a budget-based approach to renewals, starting with a specific budget in mind, then finding a plan to fit. Below is a visual representation of that new approach to renewals.

1

Start with the budget

Before you meet with your client, explain the budget-first approach and ask what they were hoping to spend (for example, keep costs flat or don't exceed a 15% increase).

2

Create multiple plan options

Build out multiple plan options that fit the budget. Think outside the box to make this work, by experimenting with contribution strategies, premium share and HSAs/HRAs.

3

Present options to client

Present those plan options to the client, looking at them side-by-side to discuss.

4

Tweak plans as needed

Answer client questions and make tweaks as requested, together exploring the best plan alternatives to fit the client's budget.

5

Help client choose final plan(s)

By now, the client will have a full understanding of the cost, contribution strategies and employee impact for each plan. This consultative process makes the employer comfortable making a final decision.



Simplify the Process with Technology

The budget-based renewal approach is easiest to execute using a plan modeling tool. This allows for dynamic plan design options, visual side-by-side comparisons and real-time adjustments, shortening the process and delighting your clients.

