10 CRITICAL QUESTIONS TO ASK YOUR EMPLOYEE BENEFIT BROKER
There are many reasons to evaluate a benefit broker. Often, HR departments and company executives start looking for different brokers when:

- There are many legislative or compliance changes that they need to keep up with (like the Affordable Care Act).

- The company wants to embrace technology like online open enrollment or integrated HRMS, but the current broker does not offer these systems.

- Brokers and carriers haven’t been evaluated for a number of years, and the company wants to ensure they’re getting the best value.

- You just want to see how your current broker stacks up to the competition.

Taking the time to ask the right questions of a current or prospective broker is an important evaluation step. The 10 questions in this guide will help you categorize a consultant you’re already working with (and any new partners) on a scale of Good, Better, or Best.

There are a few general themes that you will be able to identify with each type of broker. In this guide, you’ll see that:

- **Good Brokers** are exclusively insurance-focused and may not offer many additional services for your HR department or employees.

- **Better Brokers** understand the more advanced, interconnected needs of your HR department. They can point you in the right direction for new programs or systems, but don’t have enough resources to actively assist you in your search.

- **The Best Brokers** consultatively partner with your organization to offer the best health insurance, technology, support, and beyond. They are invested in your company and in your employees. They want all parties to be successful.

**How does your broker rate? Read on to find out!**
As the cost of employee benefits continues to rise, year after year, the most successful brokers have long-term strategies for creating financial predictability for employers. How do you evaluate your broker’s strategy?

What is your strategy for controlling my benefit and administration costs?

**GOOD**
A good broker will negotiate with a variety of carriers to try to keep your renewal increase to a minimum. This type of broker will typically contact your business 60 TO 90 days before the beginning of your plan year, which may not leave you with a lot of time to make a decision.

**BETTER**
Better brokers will negotiate with carriers to get you the best possible rate. They will also include data analysis and benchmarking to show where your premium falls relative to companies that are similar in size, industry, or other demographic.

**BEST**
The best broker will work consultatively with your management and HR teams to create an approach that will work year after year. This will often include the benchmarking and data analysis of good brokers, but will also incorporate financial modeling and claim projections. These brokers will also suggest different options for funding your benefits. They may suggest salary banding (adjusting employee contribution based on salary or wage) or a defined contribution approach (offering a set dollar amount, instead of percent of premium, for employees to use toward purchasing benefits). When coupled with a strategic approach, both of these funding options can create financial predictability for employers.

Learn how the Institute of Culinary Education worked with CheckPoint HR to control health insurance costs for three consecutive years:

Click here to watch the video
How much support will you provide for me and my employees?

**GOOD**

A good broker will support the HR department’s needs and answer benefits-related questions from employers. They are employer-focused and often do not to work directly with employees. Instead, they encourage employees to answer questions through your HR team.

**BETTER**

Better brokers offer the same support for employers that good brokers provide, but they also are occasionally willing to provide information directly to employees. They are unlikely to embrace taking a large volume of employee calls and questions, preferring that they approach you first. When there are questions beyond your expertise, they will step in to answer them.

These brokers try to support employees primarily through preemptive communications: pamphlets, email newsletters, and Frequently Asked Question lists.

**BEST**

The best brokers are equally invested in your employees’ as they are in your business. They supply proactive communications for employees and full support for HR departments, but they also have dedicated resources for your employees.

Email is a common tool for brokers who want to support many employees’ questions, but the best brokers will also have call centers that are open for employees. They can call and ask a question, file a support ticket, or talk through a problem they’re trying to solve. If your broker has a call center, they should provide you with a report of how often your employees are calling with questions, and how many problems were resolved.

No matter how big or small your employee benefits broker’s organization is, make sure to ask whether they will provide you with a dedicated support team. It can be a great benefit to work with the same group of professionals consistently so that they can get to know you and your organization. That way, when you or your employees experience an issue, they can be prepared to deal with it quickly and proficiently.

To improve HR support, the best brokers will also include an HR-specific resource center that can be used as a “quick reference” when you have an immediate need or a question that you think is common.
Better brokers have done the research for you. They understand your business and recommend solutions that will likely work well for your managers and employees. It’s possible that they have partnered with a company that provides HRMS technology (and are therefore interested in selling it to you).

They can speak to the specific technology features that most companies are looking for, such as employee and manager self-service, onboarding, and online open enrollment. They may not understand how all of these systems work together (or don’t), and how that will affect your HR department’s workload.

The best brokers offer a fully integrated solution configured to your individual needs. These brokers can work consultatively with you to ensure the technology fully solves your problems.

The best brokers offer enterprise-class HRMS and Open Enrollment solutions, including features such as:

- A fully integrated benefits administration, enrollment, HRMS, and payroll solution.
- Online open enrollment with carrier feeds and life events.
- HRMS includes manager and employee self-service.
- HRMS can be customized to suit your needs. You can add Time and Attendance features, Recruiting Solutions, an HR Resource Library, and additional components for your unique needs.
- Training for HR staff and employees.
4 How do you manage the renewal process?

GOOD
A good broker will remember that your plan is coming up and get in touch with you at least 60 days before your renewal date. They will likely recommend that you keep the plan the same, despite a carrier’s proposed increase. If they are able, they will ask the carrier for a smaller increase. Because they are starting so close to the renewal date, these brokers often don’t have time to get competitive quotes from additional carriers. This reduces their ability to negotiate for you.

BETTER
These brokers will usually reach out three months before your renewal date, which leaves an opening to make a change, but may not be enough time to make significant changes or a completely informed choice for your employees.

This strategy is an improvement over waiting until the last minute to review your renewal, but it can potentially hinder your ability to see long-term cost control.

BEST
The best brokers will be proactively working on your plan year-round. They will analyze enrollment and usage throughout the year and approach you with their findings up to six months before your renewal date. This gives everyone involved ample time to review the data, gather competitive quotes, and make the best decision for the company and employees.

A six month timeline also gives you the ability to investigate voluntary and nonmedical products that will complete your benefits package. Your broker should be able to recommend products that will work well with your medical plan and be appealing to your employees—and will fit into both of your budgets.

When working with one of the best brokers, their prior planning will easily translate into positive results for your business.

Related Resource: The Complete Benefits Renewal Checklist

This free checklist will walk you through the easy way to get the best possible benefits solution for your business and employees.

Click here to download your copy
How much compliance support do you provide?

**GOOD**

A good broker will give you basic information about federal and state regulations. They may be able to point you in the right direction for a better source of compliance information to make up for their lack of services.

**BETTER**

Better brokers offer some compliance-oriented services and information to their clients. This information is general and appealing to a variety of clients, without specific focus on your individual needs. They should provide you with timely communications about the latest legislative compliance updates.

**BEST**

The best brokers take compliance one step further. Beyond communicating compliance information (which they do exceedingly well), they include audits and modeling with their services.

They will also supply checklists and worksheets that you can use to verify your own programs. They supply you with a dedicated contact, representative, or call center that you can use to voice any questions or concerns.

They also offer technology to manage compliance issues, such as ACA reporting, easily and accurately.

These brokers will supply you with all of the tools and information you need to make informed decisions and remain compliant.

**Related resource:**

2016 ACA Reporting

Download this document, which helps you prepare for upcoming ACA requirements by:

- Providing an overview of the ACA reporting requirements
- Identifying what each employer needs to do to prepare for ACA reporting
- Documenting what CheckPoint HR is doing to support the ACA

Using web-based tools to support the HR function is a critical way to streamline operations and automate tedious, cyclical tasks.
What kind of benefits marketplace do you offer?

**GOOD**
A good benefits broker will understand what a private exchange or benefits marketplace is and why employers are starting to use them. They can point you in the right direction for your search, but don’t know the pros and cons of specific solutions or vendors. These brokers don’t offer their own technology.

**BETTER**
Better brokers have more thoroughly researched private exchanges and can recommend a few solutions. They might partner with some private exchange providers to offer technology to their clients, but are otherwise detached from the processes.

This may result in an exchange that operates as a separate, detached system from current HRMS or payroll technology. This exchange should always include open enrollment, but may not incorporate life event enrollment or voluntary benefits.

**BEST**
The best brokers can confidently suggest a private exchange or have their own technology that they can offer you. This technology should be fully open and integrated so that you can reap the benefits of the data flow between HRMS, Payroll, and your online enrollment system.

These brokers offer the very best private exchanges, which embrace technology and are available for employees to use for life events and non-medical products such as social media monitoring or telemedicine.

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Today’s broker should be prepared to offer a private exchange for employee benefit selection and enrollment. This technology helps enable the predictable financial models that lead to long-term cost control. It also allows you to offer employees more options without making plan tradeoffs bound to leave some people unhappy.
How will you advocate for my employees?

**GOOD**
A good broker is interested in how you communicate about benefits to your employees. They will provide some communication templates, like flyers or emails, which you can copy and distribute.

All in all, they see their primary role as the person responsible for obtaining coverage for your organization. The way you communicate this information to your employees is largely left to your HR department.

**BETTER**
Better brokers want your employees to understand their coverage so they choose and use their plan. They provide benefit brochures that help employees make the right decision with respect to their benefits. Overall, employee education is important to them, and they have some materials that support this.

**BEST**
The best brokers want your employees to completely understand their benefits options. They will schedule employee meetings to help meet this goal. They will also advocate on behalf of your employees, serving as a liaison with carriers when they have questions about their plans or experience coverage issues.

You and the best brokers share a common goal: happy, healthy employees.

Communicating with employees about coverage, wellness, and enrollment should be a critical role that your broker plays within your organization.
Does your technology integrate with our payroll data?

GOOD

Because they are not technology-savvy, good brokers may not realize that payroll data is so important. They don’t see why the flow of information, without errors and omissions is critical to your HR department. They just know that you want good benefits, and a good price.

BEFTER

Better brokers know that integrated technology will make your life a lot easier, but they’re not technology experts. They might not understand what true integration is, and they might set you up with systems that are great individually, but don’t quite work together as well as they should.

Often, payroll is the big disconnect. Technology providers say that one piece of technology will feed automatically into another, but they have gaps or delays that can cause complications.

BEST

For the best brokers, payroll data is the key to saving your HR department a ton of time and money. These brokers offer a system that will help you avoid costly errors and omissions.

It’s ideal when the data flows openly from payroll, to your HRMS, to your Benefits system, and back.

To achieve this seamless payroll integration, look for a broker that offers an employee benefits bundle package that connects each part of the process. Brokers offering this technology are dedicated to making your HR department work as efficiently as possible.

Learn More >>
What kind of wellness programs do you provide?

**GOOD**
A good broker will acknowledge that wellness programs are generally a good idea, but have limited resources or ideas for helping you implement one. Their main focus is on selling you the plans that your population needs to stay healthy.

**BETTER**
Better brokers fully acknowledge that wellness programs will help you control costs and want you to find a good program to implement for your employees. They know of a few carriers who support wellness initiatives and will be sure to get quotes from them at renewal time. Beyond that, their support is limited. You are likely to have a wellness program that is fairly general.

**BEST**
The very best benefits brokers will tailor a wellness program to your population. They will assess claims data and work with your incumbent carrier to obtain current disease state data.

With this information analyzed, they will put together a personalized wellness program based on improving health. For example, if they find that your population has a high rate of Type 2 Diabetes, they will recommend a wellness program that emphasizes a healthy, balanced diet. The goal for employees—and the employer—is controlling or decreasing the rate of the disease.

Programs focused on preventive health care can help your employees get and stay healthy and, in turn, lower health care costs and absenteeism for your group.
How much support will you offer my HR department?

**GOOD**

Good brokers are good at what they do—supplying companies like yours with employee benefits. But they are not heavily invested in supporting your HR department outside of the benefit context and they don’t understand why you might want additional support.

**BETTER**

Better brokers understand how benefits (especially open enrollment) can become a major task for HR departments. They see how benefits packages flow into the employee lifecycle at different stages, like recruiting. In short, they understand why benefits are important to your organization and they want to deliver high quality benefits that meet your budget.

They may have a few tools in the arsenal that will streamline your workflow, but they may not leverage advanced technology. They might give you some spreadsheets that are complete with formulas to track PTO or a way to digitally capture time and attendance, but beyond that, they are only considering your benefits.

**BEST**

Like the “better brokers”, the best brokers understand how your benefits package fits into the entirety of your organization. They embrace this with open arms and seek to be a business partner that works strategically with your HR department, supplying the crucial tools for success. These include online enrollment and HRIS software, along with a variety of human resource outsourcing services that can bridge key knowledge gaps and assist your team’s efforts.

The best brokers seek to be a total solution provider for your organization.

Related resource: **HR Outsourcing Overview and Trend Report**

Download this white paper to learn:
• When outsourcing makes sense
• Commonly outsourced HR functions
• How to outsource successfully
Review the 10 critical questions list in relation to your company’s needs and you can make a more informed decision about your HR and benefits partners.

If your broker can’t answer these questions or if the answers are cause for concern, schedule a free benefits consultation with CheckPoint HR. It includes:

• An evaluation your current benefit plan and spending
• Suggested areas for improvement
• Strategies for long-term cost savings
• Technology solutions to streamline your administrative tasks
• A plan of action for Affordable Care Act Compliance

Schedule your FREE Benefits Consultation >>
All you need for employee benefits, HR and Payroll in one convenient place

CheckPoint HR delivers an all-in-one solution that streamlines every part of the employee experience, from recruiting to retirement. With a team of experienced consultants, credentialed HR pros, and rock-star developers, we make your HR and employee benefit program work harder for your business.

Technology

With your own custom benefit enrollment portal and private exchange, you’ll minimize administrative burdens while providing additional benefit options and empowering employees to manage their own benefits. Integrated payroll and human capital management technology make your processes effortless and eliminate compliance concerns. You attract, inspire, and retain top talent. Work gets easier and productivity skyrockets.

Strategy

As a CheckPoint HR client, you’ll have access to some of the top minds in HR and benefits. To to achieve sustainable employee benefit savings across multiple plan years, you’ll enjoy robust strategic planning, plan-remarketing, compliance support, and employee communications. You’ll also receive guidance and support across the full spectrum of HR disciplines.

Services

You’ll stay on top of compliance and benefits administration requirements with built-in benefit administration services. We provide administrative support and advocacy services to employees while handling benefit processes quickly and accurately.

If you’re ready to get more from your HR and benefit program, call 800.385.0331 and let’s talk about your business goals.