

What's the difference?

For years we've asked brokers in our research surveys what platform they prefer for their voluntary products—traditional individual worksite or group voluntary? Usually it's the latter.

In fact, more than 60 percent say they prefer group voluntary. Yet when we ask these same brokers to name the carriers they use most often for their voluntary products, they name companies that sell only or primarily individual worksite products. So what's going on?

What's happened is that filing platform has become irrelevant for almost all situations. All of the old "rules" about what an individual worksite product and group voluntary product look like are gone. In fact, for many products, you can't tell what the filing platform is without looking at the actual legal contract. Consider some of these factors that used to dictate which platform is used.

We need guaranteed issue, so we have to have a group platform.

Look again. Most of the traditional "worksite" products offer guaranteed issue at least for larger groups. So platform doesn't lock you into a certain type of underwriting.

We need the higher commissions, so we need individual products.

Not true. We now have group companies that offer heaped-commission products and individual worksite plans paying flat commissions. Some voluntary

carriers even let the broker choose which to take for any given product or accounts. So, commission preferences don't dictate the product platform.

My accounts often want to do an Internet enrollment, so we need group voluntary products.

Today, both group and individual companies offer a variety of different enrollment methodologies. Traditional individual worksite carriers are offering group meetings, Web and call center enrollments, and some group companies are promoting one-on-one enrollments as their base system. Once again, platform does not define the enrollment process.

Today, we believe that brokers look more at the services and support offered by the carrier instead of just the platform used for filing. That's probably why so many benefit brokers who "prefer" group actually give much of their voluntary business to carriers offering individual or hybrid (individual like products filed on a group chassis) products. When it came time to sell a voluntary case, these brokers ended up looking at how well the carrier met their needs and those of their clients—regardless of platform.

For your next case, start by listing the characteristics you want from your carrier partner: the products, features, services, etc. without reference to the filing platform. Then, rate your carriers to decide who brings the best overall package to your clients. The products may be filed on a group platform, an individual platform, or a combination. But our job is not to offer products in a particular filing category; instead, it is to make sure the products we offer do the best job of meeting our clients' needs.

Gil Lowerre can be reached at (860) 676-9633 or glowerre@eastbridge.com.

Bonnie Brazzell can be reached at (803) 738-1236 or bbrazzell@eastbridge.com.

