

By [Benefits Selling staff](#) | Published April 1, 2009 From the [April 2009 Issue](#)

Technology and benefits enrollment remain pervasive in our industry. We read about enrollment software technology making life easier for brokers, and using avatars as virtual salespeople. We know that enrollment software technology works to improve the transaction process. Enrollment companies have it on their laptop computers and call centers use it when enrolling over the telephone. We know that video content works online – ever been to YouTube?

The question is: Can you put them together and deliver a viable employee benefits enrollment solution? Since meeting in the 1990s, partners Tearle Bagwell and Kevin Gregory talked about “a better way – more efficient, more service, just more.” Its really about the art of what is possible at Visual Benefit Communications. An odd couple of sorts– Bagwell is a voluntary benefits communication pioneer starting in the 1970s and Gregory an accountant with a group benefits, association and strategic planning experience. Together, they crafted a vision for interactive, online enrollment with call center support, and put it in action.

Background

Research studies about learning and retention rates indicate:

- People retain 10 percent to 15 percent of what they read;
- People remember as much as 66 percent of a mixed verbal/visual presentation after three days; and
- Learning retention is as high as 80 percent when people “do.”

One-to-one and face-to-face never can be replaced as the most effective ways of communicating. We spend billions of dollars a year traveling to attend meetings this way; however, that luxury is becoming less frequent when it comes to benefit enrollment. When it comes to benefit communications, employers are requiring employees to become better consumers and take more responsibility to educate themselves about their benefit options.

Taking advantage of a variety of software allows VBC to create an effective enrolment process that is verbal/visual and requires the user to engage in the process makes the process of enrolling for benefits online educational and more likely to be retained.

Bagwell recalls the early years of the call center and the adverse selection concerns by underwriters. “They were not happy, but went along to see how it would work out,” he explained.

They have the same concern with online enrollments. When it comes to online interactive enrollment, “underwriters are paid to be nervous, Bagwell said, “but they really like the legal aspect of a consistent message that online education brings.”

VBC made the decision to commit to online enrollment process and make it work. The industry participation using online, self-service enrollment was unacceptable to voluntary or specialty insurance carriers at less than 10 percent. Committing to the process required a leap of faith that without mandatory face-to-face meetings or mandatory call center enrollment that an employee would engage in the process and make a purchase.

Enrollment software and HRIS self-service modules are great at accurately pricing, determining eligibility and moving data to and from payroll and insurance carriers; however, they are not effective at communicating the need for insurance.

Bagwell notes, “Insurance still has to be sold. If it were as simple as taking orders we would just grab a \$50,000 life policy in the check-out line of the local WalMart.”

The software designers streamlined the user experience so much that the value of benefits is not

communicated.

“We took a mass communication medium and integrated it with a transaction engine to make it work,” Gregory said.

Core benefit education is the same for each employee; therefore, a mass communication tool is very effective. Explaining benefits requires an understanding of knowledgeable insurance professional. Just as any enrollment company trains a benefit counselor, whether it be for face-to-face or call center. The key is to educate the consumer by helping them understand their value and make the enrollment process simple.

VBC took the idea of online enrollment, put a motor in the car, turned the key to interactive online enrollment with call center support and the results are in two separate insurance-related industries:

Results

Employee Benefits Enrollment

The client and broker offered individual accident, critical illness and whole life insurance in addition to core benefits. As not to distort participation rates, VBC excluded group voluntary group term life insurance product enrollment, statistics from voluntary benefits.

- 85 percent of employees went online
- 15 percent of employees called the call center
- 99 percent of employees actively at work went through the process during open enrollment
- 38 percent of employees enrolled in a voluntary benefit offering online
- 42 percent of employees calling the call center enrolled in a voluntary benefit.

Non-employer individual insurance market

During the first two weeks of the enrollment period, online enrollment was not performing as planned for the client and the VBC call center was not meeting projections. We added interactive content and:

- Online enrollment increased 150 percent; and
- Call center enrollment ratio increased 50 percent

Keys to Success

It is not the only way

Not every employer will look to online enrollment as a viable solution. There is a very real need for traditional enrollment entities that do one-to-one enrollment in person and over the telephone.

“I know that the market will always be there for face-to-face and call center enrollment services and there are some terrific organizations serving that need,” Bagwell says.

“Our focus is on continuously improving what we do and allowing our peers to handle one-to-one and mandatory call center enrollments,” Gregory adds.

Technology is just technology

Understanding how to use the technology available is critical. There are some terrific software packages to consider. Don't be enamored with cool factor, focus on what is being communicated and create a solution that works – it's not the medium; it's the message.

You still need people

Employees get confused, some won't have access to computers and others have difficult situations that just can't be handled through on-line, self-service enrollment. You have to back up any enrollment with quality people.

Empower the consumer

The shift to consumer-driven health has empowered employees. Provide choice to employees on how to enroll – online, call center, face-to-face. A combination of proven communication tools with new ideas will deliver the solution that consumers and their employers are demanding for benefit enrollment.

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