



Channel Check

THE WHOLESALE DISTRIBUTION CHANNEL

CHRISTOPHER HANN

EARLIER THIS YEAR AMWINS GROUP BENEFITS INTRODUCED TWO NEW PRODUCTS designed to provide health insurance coverage to non-traditional employee groups. The first offers a partial benefits plan for employees who typically go without any health insurance—the folks

who dish up our Happy Meals and Quarter Pounders, say, or point us in the direction of the sporting goods or cosmetics or shoe aisle at our local neighborhood big-box store. In September, AmWINS unveiled a more complete benefits package for full-time employees of multinational corporations working overseas.

The company's aggressive moves underscore the role that wholesalers play in helping to provide benefits to

solve complex issues," Fleet says. "We leverage our expertise, our responsiveness to relationships. We develop unique products, distribute products, do back-end administration."

Beere & Purves, a general agent based in Walnut Creek, Calif., serves a similar function for its clients on the West Coast. President Peter Cella says his company thrives on providing a multitude of back-office operations for large retail brokers. Beere & Purves sends personnel to enrollment meetings at worksites, equipped with what Cella calls collateral information—an explanation of a benefits plan, the charges, the employee contributions, the net effect on paychecks.

"That's the main value they see in us," Cella says of his retail-broker clients. "By using people like us, it does allow them to offset some of their expenses with our people. They can come to us, [and] we'll send them back a full spreadsheet with all available carriers in the marketplace. They're trying to save time on the word processing [and] quote aspect. In our market in California, the big health plans do not have staff to go conduct enrollment meetings to a 12-person group."

With a product called Health Connect, Beere & Purves can provide a de facto human resources department for small businesses, typically with 25 or fewer employees.

"Most 20-person companies don't have an HR system," Cella says. "Brokers who work with us, we make it available to them for free. It's a feature of our quote engine, how we do our proposals."

There's no magic involved, according to Cella. It's just wholesalers and general agents performing the interme-

diary's role in the transaction between retail broker and insurer. "It's not so much that we have access to products that they can't get on their own," he says. "It's rolling up our sleeves and doing a lot of work so retail brokers don't have to."

For wholesale brokers like AmWINS Group Benefits, offering products like limited-benefit plans to restaurant workers just makes good business sense. Fleet says the company has grown an average of 43% a year for each of the past six years.

"Our take on it is that health care can't be legislated at the federal level," Fleet says. "It can't even be legislated at the state level. Health care really is a local issue. It really varies from county to county. If you go from urban to rural, there really is a different delivery of health care services."

While the practice of providing so-called mini-medical plans may not be widespread, the industry winds appear to be blowing in that direction. It's a movement not lost on Cola, who has heard the chatter and can read the writing on the wall. But he believes the movement has yet to gather full stride from coast to coast.

"Things tend to go from west to east," Cola says. "At some point down the road, yes, there will be more discussion. We're also behind the curve on the wellness front. I don't think employers are thinking about wellness. If you go out to the West Coast, there's a lot more innovation going on the wellness side."

But that's a story for another day.

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We Do Weird

Wholesalers adapt as group benefits seeks to provide health insurance for low-paid workers not already covered.

employees—most often, employees of small businesses—who often go overlooked in the delivery of health care. With many of the Democratic presidential candidates pushing health care plans that would require larger employers to provide health insurance for their workers, wholesalers could find themselves doing a lot more of this type of work in coming years. "We've had a little interest over the past year because there's more and more talk about it," says Robert Cola, president of Brown & Brown Consulting in Philadelphia.

Sam Fleet, for one, welcomes the trend. Fleet is the president and CEO of AmWINS Group Benefits, based in Warwick, R.I., and he's a champion of the wholesaler's role in the delivery of health care to long-underserved workers. Fleet likes to say that there's nothing traditional about the services that AmWINS Group Benefits provides. As he puts it: "We do weird."

"Our mission is to provide those benefits professionals with tools to

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