

The world of employer-sponsored benefits is ever-changing. In the current labor market, **competitive health insurance benefits remain a top priority** for companies facing pressure to attract and retain talented employees.

Because medical premiums increase every year, often substantially, **health insurance is one of the most expensive benefits organizations provide**, and controlling these costs is top-of-mind for employers.

At the same time, vertically integrating services has been a growing trend among payroll providers and PEOs. Since these entities assist employers with payroll needs, they are leveraging this valuable payroll data to expand their services into the medical benefits arena.

**While they claim their buying power allows them to offer lower medical premiums, our experience working with clients who have gone down this path requires us to advise clients to beware when utilizing payroll providers for insurance needs.**

**Health insurance benefits can be complicated.** Working with a knowledgeable and experienced broker ensures you have the right partner in place to support your employee benefits strategy.

## SERVICE TURNOVER

**Payroll providers have high turnover among their Account Managers.** As a result, customer service often fails to meet client expectation when they need claims assistance and explanations of benefits.

## LIMITED CARRIERS

**Payroll providers are less thorough in their marketing process.** Besides not adequately searching the market for better premiums, these providers often use a limited number of insurance carriers.

## UNLICENSED REPRESENTATIVES

**Payroll providers employ entry-level staff as service representatives.** Frequently, these employees are not fully licensed in life, accident, and health insurance, raising the likelihood of compliance failures and legal ramifications.

## ADMINISTRATIVE BURDEN

**High inquiry volumes at payroll providers leads to reactive rather than proactive customer service practices.** This model places the burden of benefits administration the client and their HR team.

**Contact us for a complimentary review of your employee benefits package.**

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