BEFORE YOU RENEW YOUR HEALTH INSURANCE, READ THIS

HEALTH INSURANCE

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Every year, employers across the country receive their health insurance renewal and ask the same question: "Why did our rates go up again?"

For many businesses, healthcare costs have increased year after year, often without a clear explanation or a meaningful strategy to control those costs. At the same time, the employee benefits industry has experienced an unprecedented wave of mergers and acquisitions. Large national firms have acquired hundreds of local insurance agencies, creating organizations with thousands of employees and books of business worth billions of dollars.

While size can bring resources, it doesn't always translate into better service or better solutions for small and mid-sized businesses.

Bigger Isn't Always Better

Many employers assume that working with one of the largest brokerage firms means they'll automatically receive the best pricing, the latest technology, and the strongest negotiating power. The reality is more nuanced.

Health insurance premiums are generally determined by the insurance carrier and the risk characteristics of your group, not by the size of your broker. A larger brokerage doesn't automatically unlock lower rates for an employer.

What often makes the biggest difference is the strategy behind the plan. Unfortunately, many growing brokerages are managing increasingly large client portfolios, which can leave mid-sized employers feeling like just another account number. Annual renewals become transactional instead of strategic, and conversations about long-term cost management may take a back seat to simply accepting the next renewal.

Is Your Renewal Just Another Price Increase?

If your annual renewal meeting consists of reviewing a spreadsheet, discussing the percentage increase, and selecting the "least expensive" option, you may be missing opportunities to better manage your healthcare costs.

Every renewal should include conversations about questions such as:

- Are there alternative funding strategies available?
- Could an HRA or HSA improve affordability?
- Is a level-funded or self-funded plan appropriate?
- Are there network alternatives worth considering?
- Would pharmacy benefit changes reduce costs?
- Are your employees enrolled in benefits they actually value?
- Can your payroll and benefits systems work together more efficiently?
- Is your broker proactively benchmarking your plan against the market?

These conversations often have a greater impact than simply comparing two insurance quotes.

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Service Still Matters

Healthcare benefits don't stop after open enrollment. Throughout the year, employers face:

- New hire enrollments
- Employee terminations
- COBRA administration
- Qualifying life events
- Payroll deduction changes
- Employee Navigator updates
- Carrier billing questions
- Claims and eligibility issues
- Compliance requirements

When these situations arise, responsiveness matters. Many employers tell us they're looking for more than an annual renewal meeting — they want a partner who is available year-round to help solve problems quickly and keep their benefits program running smoothly.

Mid-Sized Businesses Have Unique Needs

Companies with 25 to 250 employees often find themselves in a difficult position. They're too large for one-size-fits-all solutions but may not receive the same level of strategic attention as a national employer with thousands of employees.

That doesn't mean they should settle for limited options. In many cases, these organizations can benefit from:

- Customized health plan designs
- Health Reimbursement Arrangements (HRAs)
- Health Savings Account (HSA) strategies
- Level-funded or self-funded plan evaluations
- Executive benefit programs
- Voluntary benefits that improve employee satisfaction
- HR technology and payroll integration
- Ongoing compliance support

The right strategy depends on your workforce, budget, and business goals — not simply on the size of your broker.

Don't Confuse Size with Strategy

The most valuable broker isn't necessarily the one with the largest national footprint.

It's the one who asks the right questions. A strategic advisor should help you:

- Understand why your renewal changed.
- Explore alternatives before accepting higher costs.
- Build a long-term benefits strategy.
- Improve the employee experience.
- Reduce administrative burdens.
- Identify opportunities to control healthcare spending over time.

Before You Sign Your Renewal… Ask yourself:

- When was the last time my broker introduced a new cost-saving strategy?
- Have we explored alternatives beyond a traditional fully insured renewal?
- Do I hear from my broker only at renewal time?
- Does my broker understand our payroll, HR, and administrative challenges?
- Are we receiving proactive guidance or simply reacting to another premium increase?

If you answered "no" to several of these questions, it may be time to evaluate your options.

Changing brokers doesn't necessarily mean changing insurance carriers. In many cases, employers can keep their existing carrier and plan while gaining a new advisor with a fresh perspective, stronger service, and a more proactive approach.

A Fresh Perspective Can Make a Difference

At Nester Insurance, we believe every employer deserves more than a renewal spreadsheet. We work with businesses to evaluate funding options, improve benefits administration, integrate payroll and HR systems, and develop long-term strategies that balance cost control with employee satisfaction.

Whether you're happy with your current plan or simply want a second opinion before signing your renewal, an independent review can provide valuable insight — and may uncover opportunities you didn't know existed.

Before you renew your health insurance this year, make sure you're evaluating more than just the premium. Evaluate the strategy behind it.

To schedule a complimentary benefits review, call Nester Insurance at **484.390.5312**, email **bnester@nesterinsurance.com** or visit **www.nesterinsurance.com**.