

Individual and Small Group Health Plan Provider Designs New Coverage Model

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The Situation



A provider of individual and small group health insurance plans used a combination of brokers, inside sales and the web to reach current customers and prospects. The broker network segment was aging, with most agents focused on existing business – not prospecting new business. As a result, the company was missing growth opportunities in new channels and markets.

The Challenge

Company leadership knew they needed to design a new coverage model and allocate resources accordingly. However, creating a cost-neutral distribution model was critical. The model needed to align resources in order to optimally penetrate agent potential in markets served, as well as grow business through new channels and markets.

The Solution

The Company engaged the Alexander Group to drive its segmentation and distribution optimization initiative. We developed and implemented an agent profiling survey and metrics dashboard as well as formulated distribution alternatives. Agents were classified using segment “criteria” filters based on metrics from the dashboard. As part of the new segmentation and coverage model, we defined job descriptions and responsibilities for new and existing business; sellers were assigned to core roles based on profile and historical performance.

The Benefit

An internal specialized broker management overlay provided dedicated support for internet and ethnic brokers. Using the web as well as new un-insured targeted products, the company was able to increase focus on driving individual business. The new coverage model resulted in an increased emphasis on brokers covering the upper end of the small group segment.