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WHAT VBID AND FARM-TO-TABLE HAVE IN COMMON

Written By Kevin Trokey

If you spend any time online at all, you have felt a level of industry energy that I'm not sure has ever existed before. The source of the energy is the confidence advisors have found in helping their clients finally take some control of their healthcare spend. Oh, and they're also helping improve the quality of care!

How are they doing this? By simply applying the time-proven benefits of Value-Based Insurance Design (VBID).

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WHAT'S IN A NAME?

Some call the re-emergence of VBID a "movement"; some call it an evolution; some simply call it common-sense. I don't really care what it's called, there is no doubt it will HELP solve many of our healthcare problems. But it won't solve all of them, nor will it be a fit for every employer.

Regardless of the label you use, we should all find confidence in its ability to produce results, and you should find confidence in your own ability to execute, for one basic reason. The core ideas of VBID are not new at all. They take us back to the way healthcare used to be; to the way it was before it started spinning out of control.

In fact, even the idea of building these ideas into partially self-funded plans (or as a friend of mine suggests calling them, "large dollar deductible" plans) has been around for decades. As one self-funded industry leader/veteran observed to me recently (paraphrasing), "We've been trying to get advisors to embrace these ideas for the past 24 years. We were all but ignored for the first 22 and now the bandwagon can't hold everyone."

WHAT'S OLD IS NEW AGAIN

VBID is to BUCAH plans what the farm-to-table movement is to pre-packaged, processed meals. While the latter may both be convenient and marketed to imply they are good for you, they lack the nutritional density you need. They are literally and figuratively bringing you down.

VBID and F2T are also similar in they take us back to our common-sense roots. Unfortunately, we allowed others to make us lazy and we have spent decades rationalizing ourselves through dangerous decisions.

F2T is simply taking our diets back to what they were before pre-packaged,

processed foods became the norm. Take all the processing out of the way, and it's obviously a healthier way to eat.

Is it a movement? Is it an evolution? Or is it simply a more common-sense way to eat? Does it really matter? It's taking us back to the way we ate for thousands of years.

Similarly, when we are able to take all of the damaging elements out of healthcare that networks have introduced and get back to a more common-sense approach, we know it will deliver better results and do so at a lower cost.

"HEALTHY" IS A LOT OF HARD WORK

The comparison between eating healthy and building a healthy benefit plan doesn't end with the above analogy.

If only it were as simple as avoiding pre-packaged processed meals, we would be a lot healthier as a society. Unfortunately, even giving the up the convenience of such meals is a greater challenge than most are up for. The best some can aspire to is to simply make better (even if it's "less bad") pre-packaged, processed meal choices.

And, even those who are able to give up the pre-packaged processed meals completely, have to face the reality that this step alone isn't enough. You have to cut back on calories, get to the gym, take some personal time, have healthy relationships, etc. to be truly healthy.

Building a healthy benefits program for your clients takes a similar, holistic effort. This is an especially important reminder for those of you overly excited that VBID is a "holy grail" of a solution for your prospects/clients and it has become your sole focal point. Even when VBID is the right solution for a client, it is only part of what they need.

THE REST OF THE PICTURE

How many of you have invested in other solutions for your clients? I'm guessing most of you have invested in compliance, technology, HR, and communication solutions to name a few. Do you think, because of the re-emergence of VBID, your clients need those solutions any less than they did the day you decided to invest in them? Of course not! In reality, they need them more than ever before.

I would argue that, because of the complexity of VBID plans, your clients face greater compliance challenges than ever before (certainly no fewer); need the operational efficiencies that only the right technology solution can deliver; and, there is no doubt, they need more help in effectively communicating these more complex plan designs to their employees.

Don't leave these critical ideas/solutions back at the office.

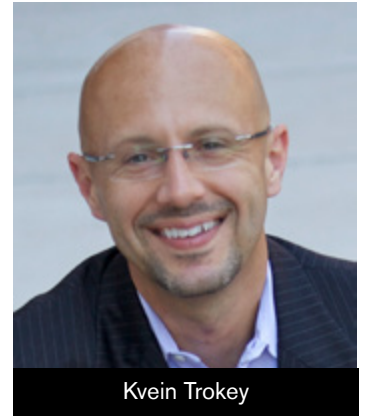
IT'S THE FINISH LINE, NOT THE STARTING LINE, THAT MATTERS MOST

Some of you are ahead of the industry in terms of putting VBID solutions into place. You feel you have a competitive advantage and maybe you do, for a brief moment.

I understand your passion and excitement about VBID but keep it all in perspective. Many of you are convinced it is THE answer. The answer for your clients' healthcare spend and, maybe even more for some of you, you feel it is the answer to your growth challenges. You may feel that taking these ideas to your clients is a sustainable advantage.

Well, it may be a competitive advantage for the moment, but that won't last. The rest of the market will catch up quickly. If you have become a one-trick VBID pony, you are going to find yourself out of the race for new business when up against industry thoroughbreds who don't limit themselves to a single solution, but instead focus on the client and help them execute on what they truly need and want. ■

Kevin Trokey is the Founding Partner of Q4intelligence, a marketing and sales enablement firm committed to the preservation and transformation of the independent agency system. He writes prolifically regarding the many challenges being faced by today's agencies, providing guidance to overcome those challenges. He is a frequent industry speaker and was recognized by the National Association of Health Underwriters as their speaker of the year in 2016.



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