

Don't be a Victim; it's Time for Brokers to Thrive



I recently asked one thousand brokers a straightforward question, "What advice would you give Congress around the ACA?" Reading the feedback, I could tell that most had been written with clenched fists and gritted teeth. The anger and frustration we feel is palpable. Across the nation, brokers feel like the rug has been pulled out from under us. Here are just a few of the main concerns that surfaced from our survey.

- We are working more for less: Regulations are more complex than ever before, yet commissions are declining. One broker stated, "If I calculated what I get paid to help a client through the exchange and what the carriers are paying I am making about \$2.50 an hour."
- We feel helpless to assist our clients: In the face of spiraling rates, we become the messenger rather than the insightful advisor we want to be. Our tried-and-true strategies don't make enough of a dent in double-digit rate increases to matter to our clients, just as one broker wrote, "My clients literally get a sick feeling when they see me coming. I'm tired of being the bearer of bad news."
- Work/life balance is out the window: Due to the timelines caused by early renewals and grandmothering, 12 months of work has now been compressed into two or three. One person told me, "During the fourth quarter, I am working 12 to 16 hour days just to tread water."
- More than 80% of the brokers who responded to our survey had negative or strongly negative feelings to the Affordable Care Act. But here's some tough love: despite the new Republican Congress, the reality is that core elements of the law – guaranteed issue, subsidies for lower income Americans – are likely to stay intact. So the question shouldn't be, "How do I get rid of this monstrosity?" Instead, you should consider, "How can I live in this new reality?"

The Victim Psychology

As someone who holds the broker profession dear, I also feel frustrated. I'm concerned though that for too many brokers, frustration has transformed into despair. Clinical



psychologists know that people respond to traumatic events in a deeply personal manner. While some people bounce back quickly, others never truly heal from their physical and emotional scars. In short, you can be a victim. Or you can be a survivor.

Victims feel helpless and fragile. They focus on memories of the past and how things just aren't what they used to be. Many brokers have assumed a victim mentality, like this one who wrote to me, "I've been in the business for over 30 years and am seriously considering retirement. We used to have a fairly healthy industry, but now it's gone." Survivors, in contrast, are grateful for what they have. The trauma still remains, but it is now a memory, integrated into their life story. Their day-to-day becomes focused on rebuilding and healing. Several brokers I spoke to took on this perspective. Though they had suffered longer hours and lower pay, they viewed their struggle as a noble effort on their clients' behalf, "I have worked harder and longer in the years since Obamacare trying to help save these businesses...my clients depend on me."

While better than victimization, merely surviving stills feels like an awfully low bar. Of course, there's a third and vastly superior response – thriving. The thriver is genuinely satisfied with what they have. Thrivers feel strong, empowered, and open to new possi-

bilities. To the thriver, the future is bright with potential. With the health insurance universe shattering all around us, how can we thrive at a time like this? In my conversations, I've found that thrivers do three things that survivors and victims do not.

Three Things Brokers can do to Thrive

First, brokers who thrive embrace new revenue models. Commissions face increasing downward pressure as insurance companies aim to cut costs. Thrivers know that management fees are the future. When brokers deliver valuable, cost-saving services to employers, fees are easily justified.

Second, brokers who thrive differentiate themselves with technology. While victims view technology with indifference or as a threat, thrivers know that technology (used correctly) can enhance their value to clients. Third, brokers who thrive devote time and energy to understanding new benefits models. The tried-and-true group insurance model no longer makes sense for everyone. For example, companies with a high proportion of lower-income workers and with low employee participation may be better served with individual market plans than with traditional group offerings. As the client's trusted advisor, it's your imperative to provide the right recommendation for their specific business situation.

So what are you going to do? Will you be a victim, survive, or thrive? You've taken your licks, but that's the past. Personally, I think the future is bright. □

Brian Poger is the CEO and co-founder of Benefitter. Benefitter provides software and services to help employers make a positive, profitable and deliberate transition to the new era of health benefits; an era defined by individual empowerment. Moving from group insurance to the individual market can be a win-win for employees and employers alike. But a change of that magnitude can be intimidating; everyone has questions. Benefitter produces answers and a path to legally compliant implementation. You can see the full results of Benefitter's broker survey at www.benefitter.com/broker-survey