BenefitLab.ai

Where benefits knowledge meets practical AI.

Leverage for Insurance Agents

Part 2 Creating Leverage

Lesson 16: Leverage Through Outsourcing

Outsourcing Is True Leverage

- Outsourcing is one of the clearest forms of leverage.
- You are not making the work more efficient.
- You are eliminating it.

Eliminate the Task

- Instead of doing it better or faster, you stop doing it.
- That time goes back to you.

Compliance Is the Best Example

- One of the best examples of this in our industry is compliance.

- It’s required. And because brokers are selling the products that create many of these compliance requirements, clients naturally turn to their brokers for help.

- But it’s time-consuming, it’s not our area of expertise, and we’re not directly compensated for assisting with it.

The Hidden Cost

- When you handle compliance yourself, you are spending time on work that does not generate income.
- Time spent on non-revenue work
- Less time for high-value activities

- That’s the hidden cost.

And There's an Inherent Risk

- We might mis-advise our clients
  - Costing them money
  - Exposing us to E&O claims, and
  - Putting the relationship in jeopardy.
- There is a better way...

Level One: Resources

- One level of leverage is providing structured resources.
  - Checklists
  - Guides
  - Timelines
- This helps clients without you doing everything manually.
- And you can reuse the same guidance.

Level Two: Full Outsourcing

- But there is a higher level of leverage.
- You remove yourself from the process entirely.

What That Looks Like

- You connect the client to a third-party administrator.
- They handle the compliance work.
- The client pays for the service.
- And the work is off your plate.

Compliance Is Not Something You Shop

- This is where compliance is different from health insurance.
- Medical plans change.
- Networks change.
- Pricing changes.
- So it makes sense to shop those.
- Compliance does not work that way.

Pick Once, Then Standardize

- The goal is not to evaluate compliance every time.
- The goal is to make the decision once.
  - Choose a TPA
  - Apply it across your book
- Now it's no longer something you have to think about.

Remove It as a Decision

- If you’re re-evaluating compliance for every group, you’re recreating work.
- You’re spending time on something that should already be solved.
- Leverage comes from removing that decision entirely.

Your Role Changes

- You are not the compliance expert.
- You are the connector to the solution.
- That’s a completely different role.

My Perspective

- I’ll be upfront — I’m biased here.
- I work with ABY Benefits, so that’s the system I’m most familiar with and naturally the one I tend to prefer.
- But the key idea is not ABY specifically.
- The key idea is that you choose a solution and standardize it.

Built-In Benefit

- If you do choose to work within that system and use ABY, one of the benefits is that you also get to work with me as part of that process 🙂

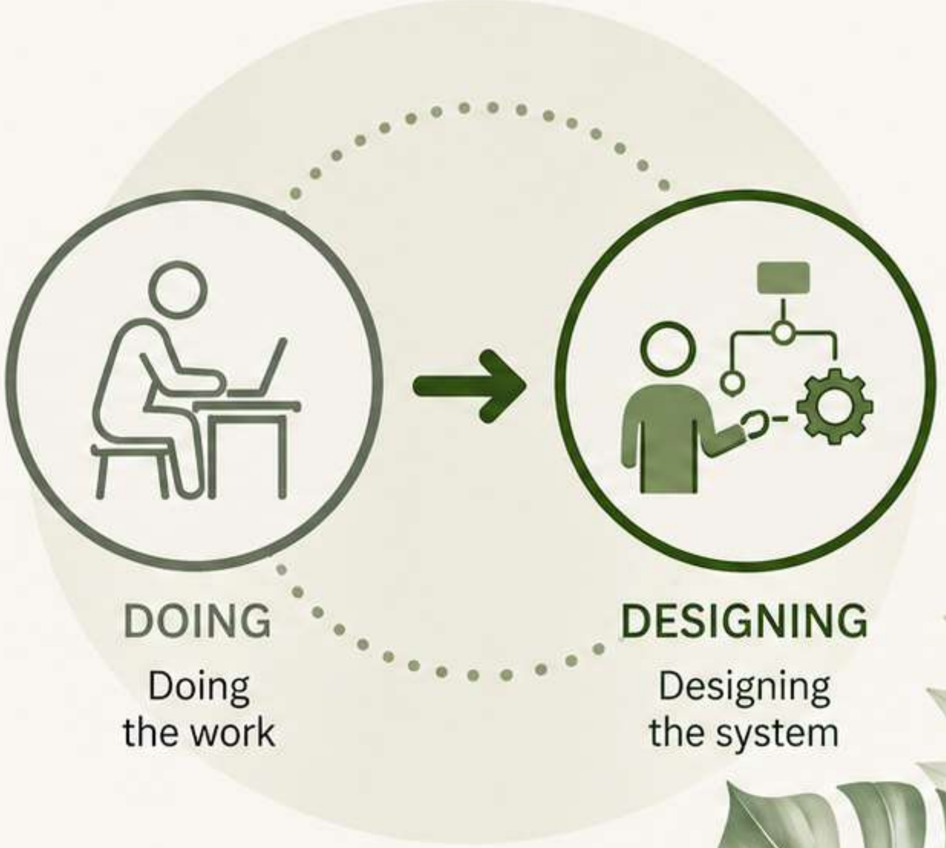
- And as we'll get into tomorrow, this can also be built into your systems so it runs in the background instead of creating additional work for you.

Think Bigger

- **It's not just compliance.** Once you start thinking this way, you begin to see other opportunities.
- Anything that is:
  - repetitive
  - time-consuming
  - outside your core focus
- can potentially be **outsourced**.

From Doing to Designing

- This is how you move from doing the work to **designing the system.**
- You are no longer responsible for **every task.**
- You are responsible for **how the work gets done.**



Now let's take this one step further.

- Instead of reacting to problems, how do we prevent them from happening in the first place?

What do you think?

Do you agree that outsourcing responsibilities like compliance could save you time and trouble while improving client outcomes?