

5 Tips for HR Leaders: How to Select the Right Benefits Broker for Your Midsize Company



Choosing the right benefits broker significantly impacts your organization's success, employee satisfaction and financial stability. To jumpstart the selection process, here are the top five factors to consider as you begin your search.

1 Expertise in Managing High-Cost Claims and Budget Stability

High-cost claims are on the rise, with \$1 million+ claimants now the norm. This leads to increased risk for employers.

Why it matters: Recent breakthroughs in modern medicine have revolutionized healthcare, bringing new treatment options, technology and extraordinary potential for human health. Many of these advances can lead to much larger claims that significantly impact a company's benefits budget. Organizations need a broker who understands how to mitigate the financial risk associated with catastrophic health events and other emerging influences that are driving up claim sizes like:

- Specialty drugs
- Novel technologies
- Administrative complexities
- Gene and cell therapy treatments that often have high price tags, from \$2 – 3 million

It can be overwhelming when trying to balance cost control while meeting the varying needs of all employees. The right broker should help you build the confidence to thrive, delivering customized solutions that stem from a keen understanding of the unique needs of your workforce and organizational goals.

Questions you should ask:

- Does the broker have a track record of protecting organizations from high-cost claims?
- Can they advise on plan design and funding strategies to control costs?
- How do they proactively seek favorable coverage terms and manage budget risks?

2 Ability to Optimize Health Savings Accounts (HSAs)

HSAs are more than just savings accounts. When designed thoughtfully, HSAs can help employees make informed decisions about their healthcare, leading to better health outcomes and financial wellness.

Why it matters: HSAs can be powerful tools for cost control and employee engagement if implemented effectively. But your plans need to be easy to understand, accessible to all employees and aligned with your company's goals.

Questions you should ask:

- Do they have proven expertise in making HSAs accessible and beneficial for a diverse range of employees—including those who may feel overwhelmed or unsure about their options?
- Can they help design plans that encourage smarter health spending and improve employee financial wellness?

3 Data-Driven Decision Making and Plan Design

In today's complex benefits landscape, your company's data is a powerful asset. When properly vetted, integrated, and scaled, it can guide you toward smarter plan design, better cost management and higher employee satisfaction.

Why it matters: We believe that data should empower you, not overwhelm you, which is why we focus on clear, actionable recommendations tailored to your organization's goals. Without reliable insights, you risk making decisions based on assumptions rather than facts.

Questions you should ask:

- Does the broker leverage analytics to identify cost drivers, predict claims trends, and recommend plan adjustments?
- Do they provide benchmarking data to ensure your plans remain competitive?

We specialize in harnessing the power of data to inform every aspect of your benefits program. Our team leverages sophisticated analytics to uncover insights that might otherwise go unnoticed—helping you optimize plan design, manage costs, and enhance employee satisfaction.

4 Employee Engagement and Communication Strategies

Benefits are only valuable if employees understand and actively use them. Without clear internal communication about your company's benefits, even the most comprehensive benefits package won't be fully explored and used, leaving employees and organizations at a disadvantage.

Why it matters: Clear, personalized messaging helps employees maximize their benefits. When employees understand their options—whether its optimizing HSAs, navigating wellness programs or using consumer-driven health plans—they are more likely to make informed decisions that improve their well-being and financial security. This drives higher satisfaction, retention and overall organizational health.

Questions you should ask:

- Does the broker offer personalized communication tools and strategies to educate employees about their benefits, including how to maximize HSAs and other consumer-driven options?

5 Proactive Risk Management and Cost Control Strategies

Over the past several years, health benefit costs have skyrocketed, placing significant financial pressure on organizations of all sizes. Midsize employers face the challenge of balancing comprehensive benefits with the need to control expenses—without sacrificing the quality and accessibility their employees deserve. In this environment, reactive approaches are no longer sufficient; proactive, strategic risk management is essential to sustain affordability and stability.

Why it matters: Partnering with a broker who proactively manages risks and implements cost-control strategies is vital for midsize organizations aiming to curb escalating healthcare expenses. Effective risk mitigation not only helps contain costs today but also positions your organization to navigate future uncertainties—such as large claims, regulatory changes, and market fluctuations—without compromising your benefits offerings or financial health.

Questions you should ask:

- Does the broker have proven approaches to wellness, plan design, and vendor negotiations that help contain costs and prepare for large claims?
- What type of experience does the broker have with vendor negotiations and contracting?

Why Mercer is the Ideal Benefits Partner for Midsize Organizations

Partner with us to unlock the full potential of your benefits program, transforming it into a strategic advantage that helps you make smarter decisions for a healthier, more engaged workforce.



Deep Expertise in High-Cost Claims Management:

Mercer's insights and strategies help organizations prepare for and mitigate the financial impact of catastrophic health claims, ensuring budget stability.



Specialized Knowledge in Making HSAs Work for More Employees:

Mercer's guidance on optimizing HSAs ensures these plans are accessible, effective, and aligned with employee needs, fostering better health and financial outcomes.



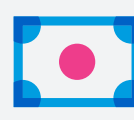
Data-Driven and Customized Solutions:

Mercer leverages advanced analytics and benchmarking to craft benefits programs that are competitive, cost-effective, and tailored to your organization's unique profile.



Focus on Employee Engagement:

Mercer's communication strategies empower employees to make informed health decisions, increasing plan utilization and satisfaction.



Comprehensive Risk and Cost Management:

Mercer's proactive approach to wellness, plan design, and vendor negotiations helps control costs and enhances benefits program resilience.

Let's get started

The selection of an employee benefits broker can have a significant impact on the quality and cost of your benefit program. If you need help choosing the right broker to keep pace with the evolving needs of your organization, we can help.