

NN NAVA

NAVA BENEFITS PRESENTS

The ultimate playbook to nailing the benefits RFP process



INTRODUCTIONS

But first, let's get acquainted.



ED LIGONDE
Market Director



COLLEEN LOCKE
Director, Benefits Solutions

The stakes have never been higher when it comes to benefits

1.

Employees are leaving companies at a record pace

2.

Mid-market employers saw the largest healthcare cost increases in a decade

3.

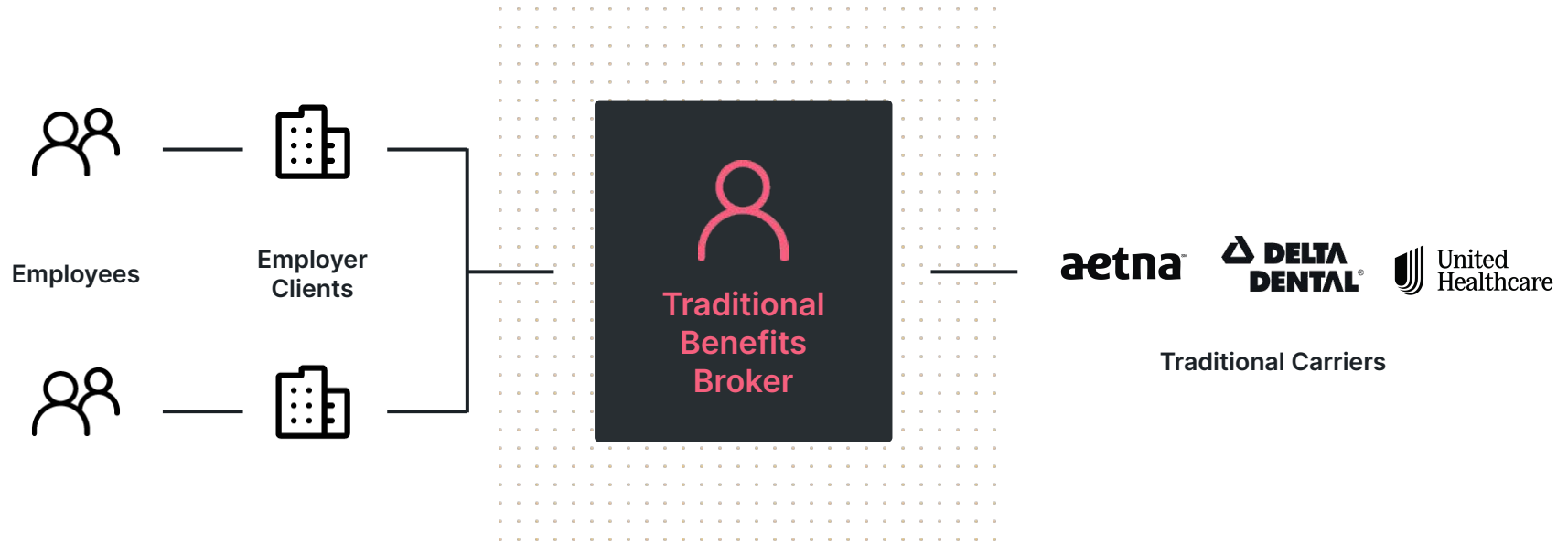
There's an explosion of innovation happening in benefits

**Plus, employee's needs have
changed dramatically in the last
few years — but most benefits
programs haven't kept pace.**

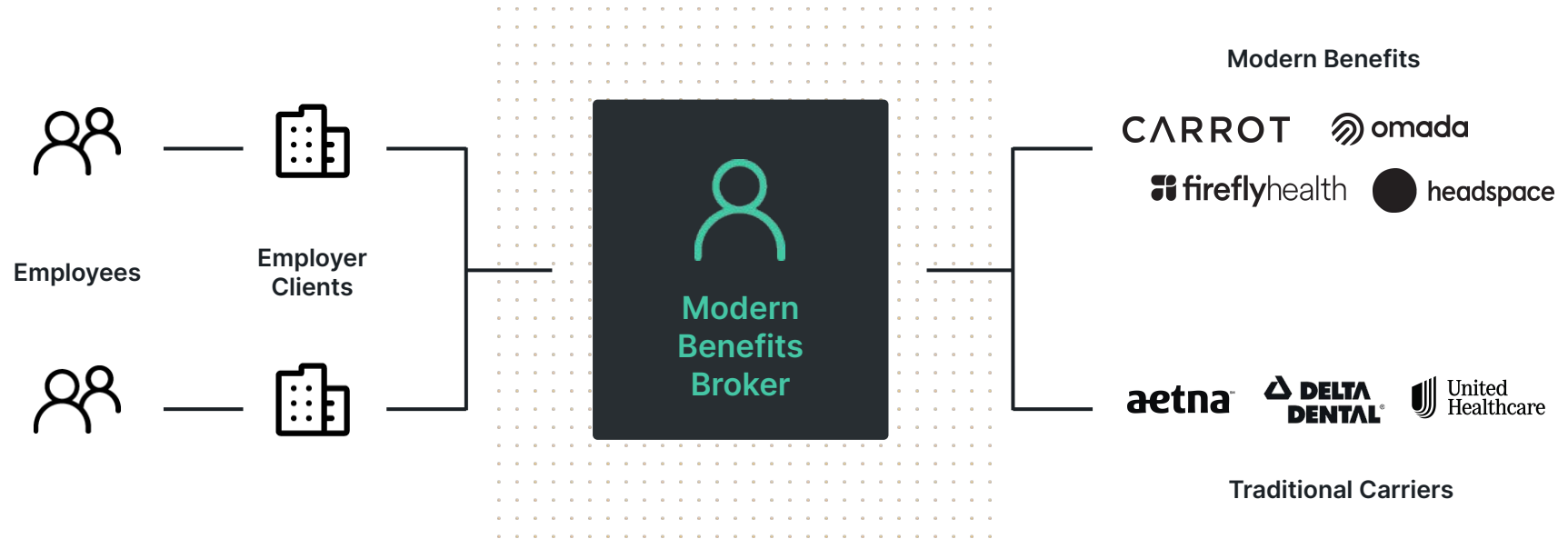
**If there's ever been a year to
reevaluate and level up your
benefits, this is it.**

**What is the biggest influence
on the quality and cost of your
benefits package?**

The benefits broker sits at the center of the marketplace, and is critical to effecting change.



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TODAY'S PROBLEM

**The current
RFP process
is ineffective.**



TODAY'S SOLUTION

Your RFP should deliver...



An effective process for decision makers that **yield optimal results.**



Opportunity to go deep on **capabilities, costs, relationship terms.**



Opportunity to rapidly learn about **best practices and innovation in the space.**


Here's what you'll get, today:



1. A step-by-step playbook to crushing the benefits RFP process in 8 weeks

2. Top tips and tricks (plus mistakes to avoid)

3. Time for questions and answers



YOUR ULTIMATE RFP PLAYBOOK

Step-by-step guide.

Weekly Overview

Week 1

Set a strong foundation

Week 4

Review responses and select finalists.

Week 6

Finalist presentations and scoring.

Week 8

Select broker and sign BOR.

Week 2-3

Launch RFP and field clarifying questions.

Week 5

Notify finalists and schedule finalist presentations.

Week 7

Conduct reference calls and socialize decision internally.

Determine the goal of your project.

1. What is your reasoning for the RFP process?

- Market pulse check
 - A quick-hit, lower-lift offering check in the market. Great to validate that you're on the right track.
- Potential broker replacement
 - You're not unhappy with your broker, but need a confidence check to know you have the best offering. Recommended every three years.
- Confident broker replacement
 - You're unhappy with your current services and know going into the process you'll need a new broker.

2. What are you looking for in a benefits broker?

- Create a broker pros vs. cons list
 - Support with benefits administration
 - Benefits at a lower cost
 - Member level support
 - More innovative solutions
 - Mentor, I don't know benefits

Get your internal team aligned.

1. Internal prioritization

- Talk to your leadership team about the 1-2 things that matter the most when it comes selecting benefits.

2. Clear ownership

- Determine who has the bandwidth to run lead on this project (if it's not you).

“Ask open-ended questions. We asked open ended questions just in case there were some opportunities that we did not think of simply because we were not aware that they existed.”

Michele Perry

Director, Human Resources at
American Assets Trust

Narrow down your broker list.

1. Determine how wide you want to go

- Based on feedback, the right number seems to be 4-6 brokers

2. Do your research

- Referrals (friends and HR communities)
- Client “superfans”
- Associations
- Google (websites like G2)

“A knowledgeable broker can ensure they’re quickly adapting to changes in the marketplace – with an emphasis on really taking advantage of their local market – to get the best outcomes for their people.”

Kelley Elliott

VP, Total Rewards at Delta Air Lines

Launch RFP and field clarifying questions.

1. Responding to questions

- Share out all the questions and answers to the participating brokers
- Provide data when necessary

2. Broker engagement

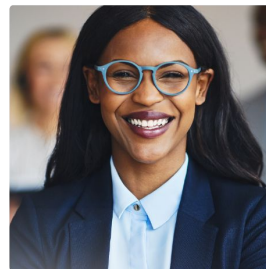
- Welcome engagement - an engaged broker in this phase is going to be an engaged broker later



Review responses and select finalists.

1. Create criteria that helps you review and filter responses

- Be measured & be selective
 - Are we culturally aligned?
 - Do they provide the scope of services that match our organization's needs?
 - Are they showing that they are knowledgeable and willing to educate?
 - Is their compensation philosophy aligned with organizational goals?



2. Create a shortlist of finalists

- 3 is recommended
- Gain leadership buy-in for your decision

Notify finalists & schedule presentations.

Set expectations with finalists brokers

1. Be specific in what you want to see from the broker
 - Ex. Innovative solutions to a benefits problem
2. Choose the right meeting format
 - In-person vs. virtual
 - 60 to 90 minutes
3. Scheduling
 - All of the finalist presentations should be scheduled within a 10-day period
4. Be clear on who you want to see in attendance from the broker
 - Ex. Leadership vs. Day-to-Day Service Team



Time Savings Hack:

Have the presenting broker team email team introductions in advance.

This can save upwards of 15 minutes, keeping the conversation focused on benefits.

Finalist presentations & scoring.

Create a scorecard based on criteria set by you and your internal stakeholders

1. Organizational fit
 - Ensure that you can work together seamlessly day-to-day.
2. Brokerage innovation
 - Understand how proactive they will be in securing the best benefits for your company.
3. Goal alignment
 - Determine if the brokerage will support your financial goals.

Benefits RFP - finalist scorecard

	1 = Poorly					5 = Perfectly	
Q1: How does the brokerage fit our company's needs in terms of services provided?	1	2	3	4	5	/ 5	
Q2: How well do you feel this brokerage would support the ongoing needs of our company's HR team and create efficiency?	1	2	3	4	5	/ 5	
Q3: How well do you feel this brokerage would respond to the unique needs of our company's employees and improve their benefits offering?	1	2	3	4	5	/ 5	
Q4: Is this brokerage innovating in the healthcare space to offer valuable tools and technology to our company and its employees?	1	2	3	4	5	/ 5	
Q5: Does this brokerage's stance on compensation and proposed fee structure align with the budget and goals of our company?	1	2	3	4	5	/ 5	

Total score: / 25

Conduct reference calls & socialize decision internally.

Ask hard questions to validate the broker's RFP responses

1. Walk me through conflict resolution?
2. What are they doing to educate you on emerging trends?
3. Have you felt challenged by your broker?



Select broker and sign BOR.

1. Transition Process

- Easy as signing a broker of record (BOR)
- Carefully review contracts

2. If you stay with the incumbent broker

- Work together on an action plan to ensure they deliver on their promises

3. Notifying eliminated brokers

- If requested, share feedback



Weekly Overview

Scenarios

- Consider timing when deciding when to run the RFP process
- Set yourself up for success by aligning the end of the RFP process to allow for adequate pre-renewal strategy and education with your new broker

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YOUR ULTIMATE RFP PLAYBOOK

Tips and tricks.

What to look for...


- ✓ Consistency with who you will be working with
- ✓ Team backgrounds that match your company needs
- ✓ Onboarding processes that include specific timelines with clear stakeholders and deliverables that are customized based on your team needs
- ✓ A plan to really get to know the details of your employee base and goals
- ✓ Unique, specific answers about how this brokerage will make you work easier and improve the employee experience
- ✓ A data-driven approach and unbiased source of truth with a focus on measurable efficiency: hours saved, response times, employee adoption rates, etc.
- ✓ Proactive thought leadership on important topics — actively showing up in industry publications and associations
- ✓ Proactive, open attitude
- ✓ Transparent fees and satisfaction guarantees
- ✓ Removal of shady kickback practices
- ✓ Openness to creative funding solutions

Avoid responses that...

- ✗ Show a lack of experience or are vague or unclear
- ✗ Indicate the team is disjointed (e.g., the proposed team you would work with is completely from who you have been speaking with)
- ✗ Don't show proactive timelines that keep all parties up to speed
- ✗ Lack specificity or are wishy-washy
- ✗ Not personalized to what they already know about you, i.e. cookie-cutter answers that feel obvious and lack forward-thinking insight
- ✗ Don't take the employee experience into consideration
- ✗ Lack data or strong point of view
- ✗ Lack SLAs or service commitments
- ✗ Contain a fee structure that can create misaligned incentives

Snapshot: The 10 top questions.

1. **Describe your firm's most noteworthy qualifications** for providing the required services to us. Specifically highlight those qualifications that distinguish you from your competitors.
2. **Describe the proposed team** that would work to support us with their background and qualifications and specifically their role on our team.
3. **Describe your onboarding process** for us as a new client, including proposed timeline and milestones.
4. **Describe how your team will measure itself** in terms of its performance in service of our account.
5. **Discuss what your organization believes are the most compelling issues** today in the employee benefits and wellness industry and how your team is uniquely poised to address them.
6. **Describe your ongoing client support model** and how you will create efficiency for me/my department.
7. There are thousands of benefits vendors available. **How do you help us find the right solutions for our employee's unique needs?**
8. **What is your proposed fee structure** and contract term for us and why?
9. **Describe how you propose to build an understanding of our culture** and priorities and how you would utilize this information to recommend changes and project future costs.
10. **Please provide the contact information for 3 current clients** who are of a similar size and work with our proposed account team.



YOUR ULTIMATE RFP PLAYBOOK

Q&A.



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Thank you for tuning in.

Feel free to reach out with any questions.

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Appendix.

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