



MARKET OVERVIEW

# Group Benefits in a Post-COVID, Customer-Centric World

Unique Opportunities for  
Ambitious Insurers

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## **“Covid changed everything”**

is quite the overstated understatement. In the world of work and group benefits insurance, it was an impetus impossible to ignore, but it wasn't the only force changing the market, and some of these shifts began before the pandemic.

For example, numerous employers had already begun using better, more comprehensive coverage packages that featured voluntary health, wellness, or financial benefits to attract and retain in-demand talent. Employees had also started to expect more personalization, flexibility, and digitally-driven convenience from their benefits experiences — e.g., wanting their user portal experience to be consistent across web and mobile touchpoints. Now that these trends have snowballed in the pandemic's wake, many employers feel more responsible than ever for their workers' financial health and work-life balance.

In this overview, we'll dive into evolutions within North America's group benefits industry, how the different opportunities and challenges juxtapose against one another, and the core technology ambitious benefits insurers will need to keep pace with the market.

# Shifts in North America's Group Benefits Industry



## SHIFTS IN NORTH AMERICA'S GROUP BENEFITS INDUSTRY

# The Rise of Customer Centricity & New Product Offers

Historically, group insurers sold benefits through a broker-employer model, with brokers acting as the intermediary between employers and insurance carriers. They'd show employers the big picture of what different insurers could provide, employer-customers would choose an insurer to work with, and then there'd be a massive enrollment process: Current employees selected their benefits within this select span of time, while new team members joined the group record as they got hired.

That model worked just fine for several decades.

In recent years — especially the last 10 or so — group insurers have moved from a purely B2B selling model to a B2B2C framework. Carriers now sell group insurance to employers and also directly market voluntary supplemental insurance products to individual employees within group plans.

As we all now know, this became a backend problem for benefits insurance operations running on outdated core systems: Monolithic group records had been the status quo for so long. To follow a B2B2C model, systems never designed to incorporate individual records had to include them regardless.

On top of that, as more tech-savvy generations become the dominant demographics of the North American workforce, they're expecting insurance products and services to include the same digitalization and personalization that they're accustomed to in other areas of life.

These digital natives understand that insurers collect plenty of personally identifiable information. They accept this as a reality of our data-driven age — or, at the very least, they're willing to share the data if insurers can use it to offer more personalized services and offerings. With this in mind, it only makes sense for insurers to leverage customer data as a foundation for customizable products that offer multiple types of financial protection — all supported by rich digital experiences.

We'll dig deeper into the technology in a bit, but when the foundation is there to enable it, ambitious benefits insurers can **do amazing things**:



Provide **personalization** via individual records



Develop a **tightly knit bond** with all of their end customers



Create and sell **in-demand insurance policies** as a part of group benefit plans



Give employers the technology platforms they need to **attract and keep top talent**



**Keep individual customers** even after they leave their employer

# The Challenges & Opportunities of Today's Benefits Market



## THE CHALLENGES & OPPORTUNITIES OF TODAY'S BENEFITS MARKET

# Antiquated Enrollment Processes vs Easy Data Integration

To be frank, most of today's benefits enrollment processes are antiquated — we're lucky if they're simply "outdated." Even some of the most advanced tech companies force their employees through paper-based benefits enrollment because their insurers don't have the technology to support something better. The paper forms then get passed on to the insurer, who has someone on their team manually enter the data and activate the enrollment.

Not only is this asking for human error that can seriously mess up someone's coverage, it's also incredibly inefficient at optimizing enrollment. Let's face it: How often have we ourselves sped through the new-hire paperwork, choosing the lowest coverage rate without really thinking about it?



[Census & Enrollment Intake: Read the Product Overview](#)

The challenge is: Even though digital enrollment can yield higher enrollment numbers, these tools still fall short of delivering enrollment data to an insurer's core system in a usable format.

Digital enrollment platforms exist, but the poor integration capabilities of insurers' modern legacy core systems make it difficult to get that enrollment information onto these platforms so employees can choose what they're eligible for. It's also complicated to take it to the next step by using that data in the insurer's core system to bill and service properly... and this is just the initial enrollment. Things get even hairier when an employee moves to a new state, gets promoted, goes on leave, or another life event happens that changes their benefits eligibility.



## THE CHALLENGES & OPPORTUNITIES OF TODAY'S BENEFITS MARKET

# Legacy Technology Restrictions vs Broker Technology Guidance

More than anyone else, brokers have their fingers on the pulse of the group benefits industry and what insurers should expect in the next five to 10 years. Because of this, when they find insurers who are future-thinking and ready to deploy new technology as needed, they'll more readily work with those carriers and sell their policies rather than carriers that offer traditional coverage and manage their products with old, legacy technology that can't keep up with customer or employer expectations.

Brokers also no longer look at employers as the end customers of benefits packages. Individual buyers are the customers, and employers are the channel for policy sales. That said, this means carriers need to understand what employers need, and what their brokers are helping them look for.

A recent LIMRA report identified several offerings and capabilities that ranked highly among employers' expectations:



**Expanding benefits offerings to match the market's desires, including nonmedical and nontraditional benefits**



**The ability to offer benefits to freelance or contract workers**



**Digital enrollment methods that include decision support and recommendations (like technology-powered personalized suggestions)**



**Carrier technology that works well with their benefits administration platforms**

For an employer to choose an insurer as their benefits partner, the carrier needs to have these baseline pieces ready to go, which is where a modern coretech platform that can easily enable all of it comes into play.



## THE CHALLENGES & OPPORTUNITIES OF TODAY'S BENEFITS MARKET

# Group Enrollment Limitations VS Freelancers & The Gig Economy

Just because someone doesn't work in a traditional, full-time role doesn't mean they don't need financial protection products like short-term or long-term disability, life insurance, or hospital indemnity plans. These professionals represent a significant share of the modern workforce and insurers can't afford to ignore them: Between 2017 and 2024, anywhere from one-quarter to one-third of all workers either belonged to the gig economy or worked as freelancers in some capacity. Statista projects that by 2027, as much as half the US workforce could consist of freelance or gig workers.

As a solo contributor, finding a way to purchase all these policies together can be a pain. Many freelancers and gig economy individuals end up going without coverage instead of dealing with the convoluted experience of buying voluntary benefits a la carte.

Insurers with core technology that allows for individual customer records outside of group records can enter this market as a B2C provider capturing an untapped demographic. Also, they can keep current individual customers even if they leave or get laid off from their current position.



THE CHALLENGES & OPPORTUNITIES OF TODAY'S BENEFITS MARKET

# Manual Process Headaches vs Easier Administration & Event-Driven Automations

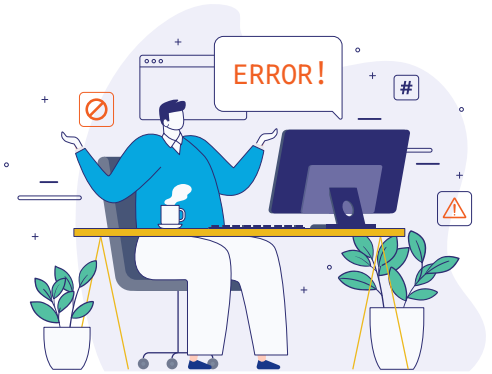
The top three pain points for employers administering benefits are:



**Bad user experiences**



**Ongoing manual work**



**Inaccuracies and errors across all parts of the value chain (enrollment, underwriting, case installation, billing, and claims)**

As a result, many benefits carriers invest a considerable amount in reducing these pain points to keep themselves relevant in the market. What's interesting is that everyone seems to be taking a different approach: Some consolidate billing, some improve underwriting or enrollment, and some focus on event-driven claims ... but almost no one is taking a holistic view to address them all.

When insurers cherry-pick the problems they want to solve and ignore other issues, it still creates a disjointed experience for the employer: While one part of the value chain works, the other parts still suffer from the pain points identified above: excessive and burdensome manual work, poor user experiences, and inaccuracies or errors.

To compound the problem, brokers notice what different insurers are doing in different areas, and start to hold all insurers to the standards that are being set disjointedly across the industry. All things being equal, brokers and employers will move their business to the insurer who provides the best experience, so carriers who can solve most or all of the problems will win.

## THE CHALLENGES & OPPORTUNITIES OF TODAY'S BENEFITS MARKET

### Example: Better Absence Management for Everyone

When an insurer invests in absence management and coretech for better data management and event-driven claims, they can create an experience employers will flock to:



Let's say an employee gets injured during a weekend kayaking trip. Her initial emergency room claim triggers her hospital indemnity benefit, her FMLA, and her short-term disability insurance while she's recovering. She has one claim submission instead of three, and her FMLA leave will be properly used and coordinated with her other types of leave and coverages. Although it wasn't the case for a long time, technologies like machine learning (ML) mean that only complex claims require the dedicated attention of specialists. In many cases, including this one, claim submission, processing, and adjudication can be automated.



Link: [Absence Management Done Right](#)

Similarly, absence management was a burdensome task, one that involved keeping up with regulations, completing the work-intensive responsibilities associated with monitoring absences, and dealing with avalanches of claim filings and other paperwork. Now, when an insurer has technology employers know they can rely on for efficient claims processing and absence management, it helps increase employee and employer satisfaction while reducing claims operations expenses.

## THE CHALLENGES & OPPORTUNITIES OF TODAY'S BENEFITS MARKET

The Absence Management platform enhancement for EIS Suite is purpose-built to meet the needs of group benefits insurers.



By integrating EIS technology with leading absence management solutions, **the enhancement enables group carriers to more effectively manage absences, disability claims, hospital indemnity filings, critical illness claims, and all other leave types via a centralized portal.**



Business users can **automate reminders and paperwork requests**, organize communications into a single e-folder, and **easily review all absences and related documentation.**



Additionally, the platform enhancement provides **self-service features** for group members. Employees can report their own absences and file claims via an easy-to-use dashboard that also connects them directly.

Ultimately, the Absence Management platform enhancement removes common pain points and makes things easier for employees, the HR staff of employer-customers, and group carriers' internal teams.

### Did you know?

According to Gartner, technology executives plan to spend more on:

- ▶ Cloud platforms
- ▶ Application modernization
- ▶ Integration technologies like APIs or API architecture



The key, of course, to tackling all these challenges accompanying such unique opportunities is having the right technological architecture to underpin all your operations. Coretech like EIS Suite that supports real-time connections and smart data usage elevates you to become an accomplished group benefits insurer that can stand above the crowd in a competitive marketplace. The transformation that this type of coretech can facilitate will enable lower-cost digital operating models. It'll also allow for the adoption of advanced data and analytics tools, generative AI, and other cutting-edge tech — investments that can increase operational efficiency and support simple, effective, and highly personalized experiences for group members.

# **‘Modern’ Legacy Digital Platforms vs Future-Proof EIS Coretech Architecture**



## 'MODERN' LEGACY DIGITAL PLATFORMS VS FUTURE-PROOF EIS CORETECH ARCHITECTURE

In fairness to modern legacy group benefits technology, it has evolved with the times ... a little. It's evolved enough to digitize operations that were once mostly or entirely paper-based, but not enough to support the data-driven, ecosystem-oriented powerhouse that a truly modern, customer-centric, and forward-thinking benefits insurer can become.

For example, paper enrollment might have become PDF enrollment, or maybe even digital form-fill enrollment. However, the data captured during enrollment still doesn't automatically integrate into the core system, and can't be used for any type of customization.

### Which begs the question:

Exactly what kind of technical capabilities and architecture are needed to blow past modern legacy limitations and enable you to be the ambitious benefits provider of tomorrow?

### We're glad you asked:



#### Configurability & Quick Time to Market

If you want to do something groundbreaking with a legacy insurance system, be prepared for your IT team to spend a large chunk of time in the weeds figuring out a customized code-based solution that may or may not break other parts of your system. (If that happens, it'll mean spending even more time on hard-coding the fixes.)

On the other hand, because EIS coretech is built on a microservices architecture, it's easily customized to meet your needs as a carrier, without affecting your overall insurance operating system. This means you can launch new products or make changes within existing ones in an incredibly agile and timely manner.

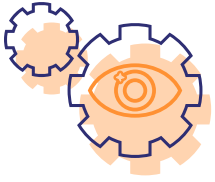


#### Data Accessibility

In legacy and modern legacy systems, data usually exists in silos: Agents, brokers, and customer service reps have to spend a lot of time toggling through various windows just to find the piece of data they need. (Not to mention the technological workarounds required if you want to engineer any kind of real-time data usage.)

With data-fluid coretech, you get a single source of truth and a unified view of customer data, with real-time access and updates. It also allows integrations with third-party data providers to help your teams make better decisions in underwriting and claims management.

## 'MODERN' LEGACY DIGITAL PLATFORMS VS FUTURE-PROOF EIS CORETECH ARCHITECTURE



### Integration Capabilities & Future-Proof Architecture

When your core system isn't built with API-first design principles, you'll have a hard time integrating with ecosystem network partners, tools, and third-party software as easily as you'd like. Tools that leverage artificial intelligence (AI) and machine learning (ML) are becoming the standard to differentiate good and bad customer service (as well as good-vs-bad internal processes), every benefits insurer must update their tech stack to accommodate seamless integration with these and other forward-thinking technologies sooner rather than later.

In the aforementioned Gartner survey,

**100%**

of technology executives said AI and ML would be implemented by 2025.

Beyond customer service, all ecosystem opportunities become either nonexistent or nearly impossible to embrace when you need hard coding to make a single integration happen ... and any core system architecture that isn't made with the future in mind is already out of date.



### Agile Scalability

Legacy and modern legacy systems might market themselves as "cloud" or "SaaS", but it's a ruse if they're not actually cloud-native. (Which they absolutely aren't.) Their monolithic, big-blob-of-code architectures mean they can't handle truly agile scalability: They have to scale up and down as an entire platform, rather than scaling up or down as needed.

For example, most benefits enrollments take place as part of 1/1 renewal cycles, so January involves dealing with millions of records. The other 11 months of the year only see handfuls of enrollments that don't require nearly as much scale to process. Insurers using legacy core systems with monolithic architectures have to scale all parts of their system (including claims), even though only enrollment is experiencing the surge.

With EIS coretech's cloud-native, microservices-based architecture, the system will automatically scale enrollment *and only enrollment* when a surge happens, and scale it back down when the surge is over. The same is true for claims, underwriting, or any other microservice. You don't need to physically provision or deploy servers, and you don't have to pay for this scale-up year-round when it's not needed.

# MACH Architecture: The Cutting Edge of EIS Coretech

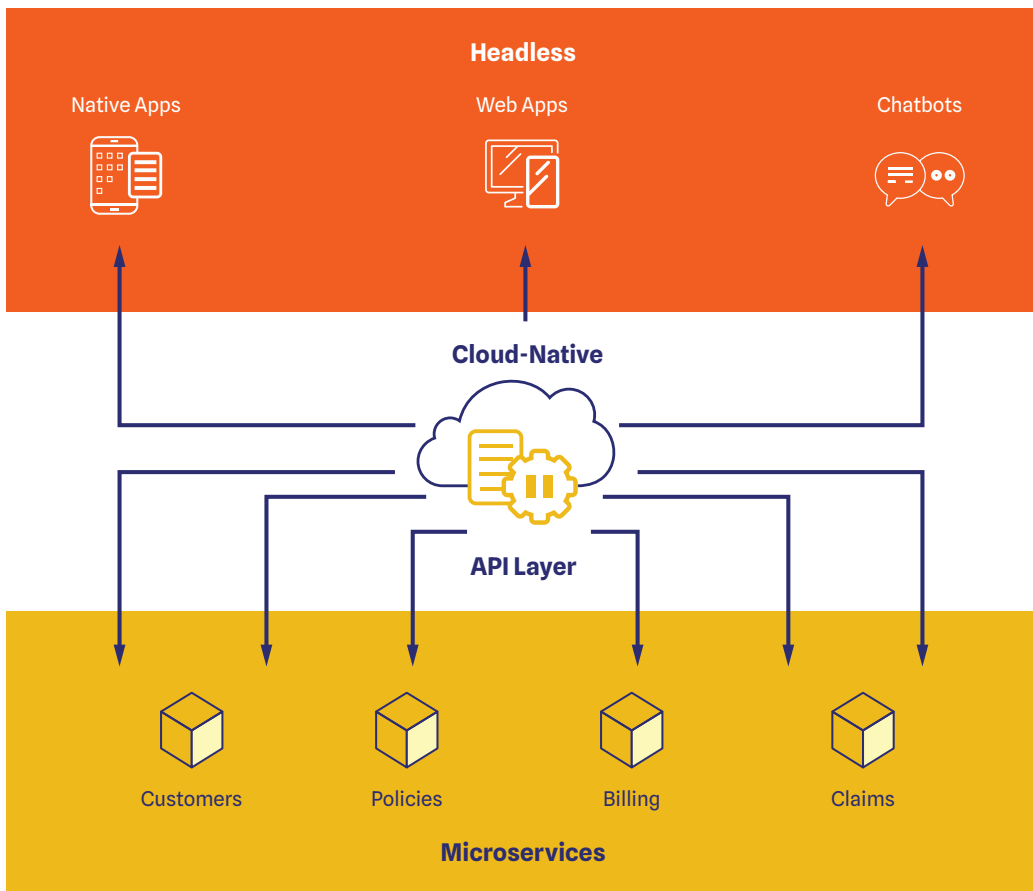




MACH ARCHITECTURE: THE CUTTING EDGE OF EIS CORETECH

Now that we've established the basics of what makes EIS coretech superior to legacy, modern legacy, and even some other coretech systems, let's dig into the core architecture differences that set EIS apart for ambitious benefits insurers:

## MACH Architecture



## MACH ARCHITECTURE: THE CUTTING EDGE OF EIS CORETECH

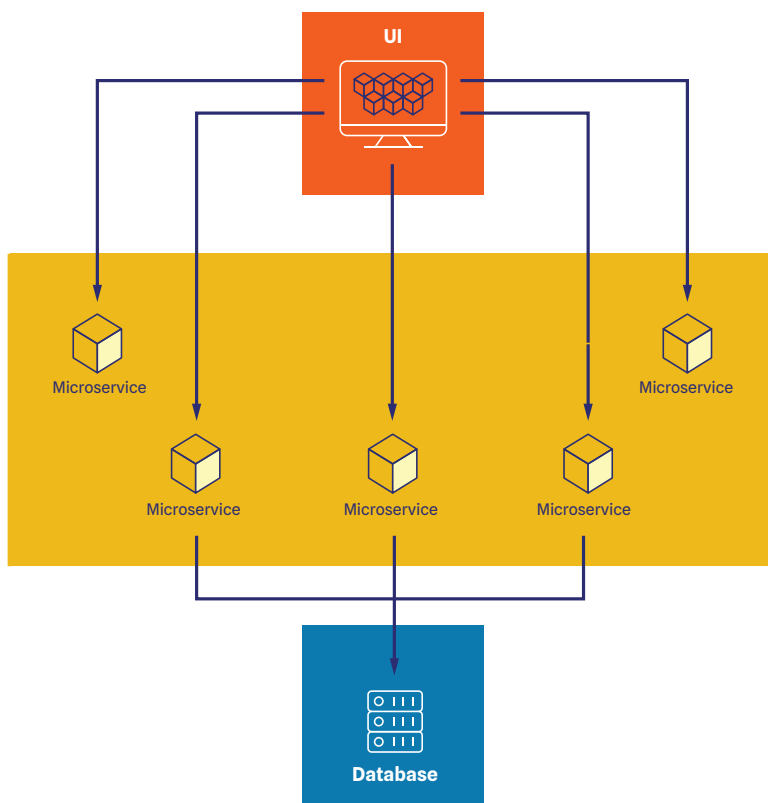
### M = Microservices

Rather than putting all your eggs in one basket (and if that basket gets a hole in it, all your eggs fall out and break), a microservices architecture de-couples an overall application into loosely coupled services that can be developed and deployed independently.

As an organization, it gives you much stronger resilience and fault tolerance, and means the system as a whole can better handle unexpected errors and disruptions. Should one microservice fail, it won't affect the overall system.

It also means that if you want to start a digital transformation, you can upgrade one piece at a time without detracting from your ongoing operations.

### Win-win, right?



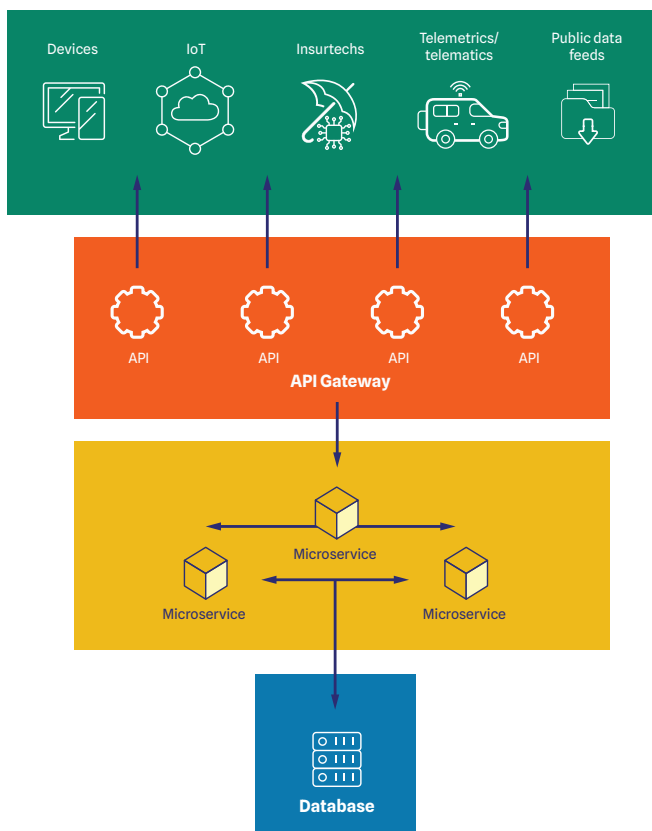
## MACH ARCHITECTURE: THE CUTTING EDGE OF EIS CORETECH

### A = API First

Because APIs are the keys that let you go from being a standalone insurer to becoming the benefits ecosystem brokers, employers, and customers love, they need to be at the core of any decent platform's architecture, with a standardized and consistent way for the connected technologies to communicate with each other.

Having an API-first approach to core system architecture is crucial to innovation and growth, because without it, you'll have a hard time integrating new services and applications into your growing ecosystem. You also won't get the interoperability needed with third-party vendors, insurtechs, or other industry players that help you provide a...

...holistic, to-die-for customer experience.



## MACH ARCHITECTURE: THE CUTTING EDGE OF EIS CORETECH

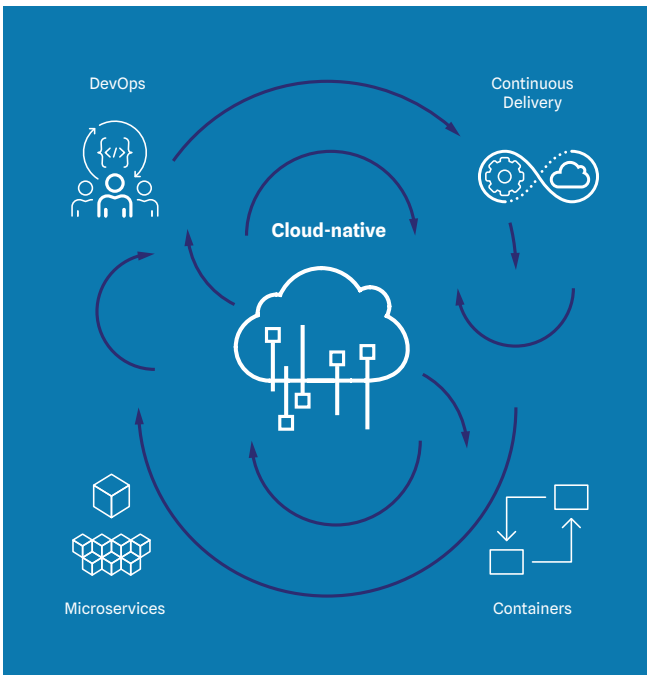
### C = Cloud Native

While digital transformation efforts can be costly, switching to a cloud-native platform is one place where the total cost of ownership starts to make sense.

Because of the cloud's pay-as-you-go pricing model, carriers can save money on bandwidth during slower seasons, and use the bandwidth they need during busier seasons without the worry of slowing down operations. It solves the catch-22 of not wanting to pay for unnecessary server space, but still having it available during times of need or crisis that result in a lot of claims or underwriting activity.

Further, cloud-native features like serverless computing help benefits insurers make the agile changes they need without worrying about the underlying infrastructure via low-code tooling. They let insurers develop and deploy needed applications without the need to manage servers, which reduces complexity and maintenance overhead while...

...optimizing workflows and streamlining operations.



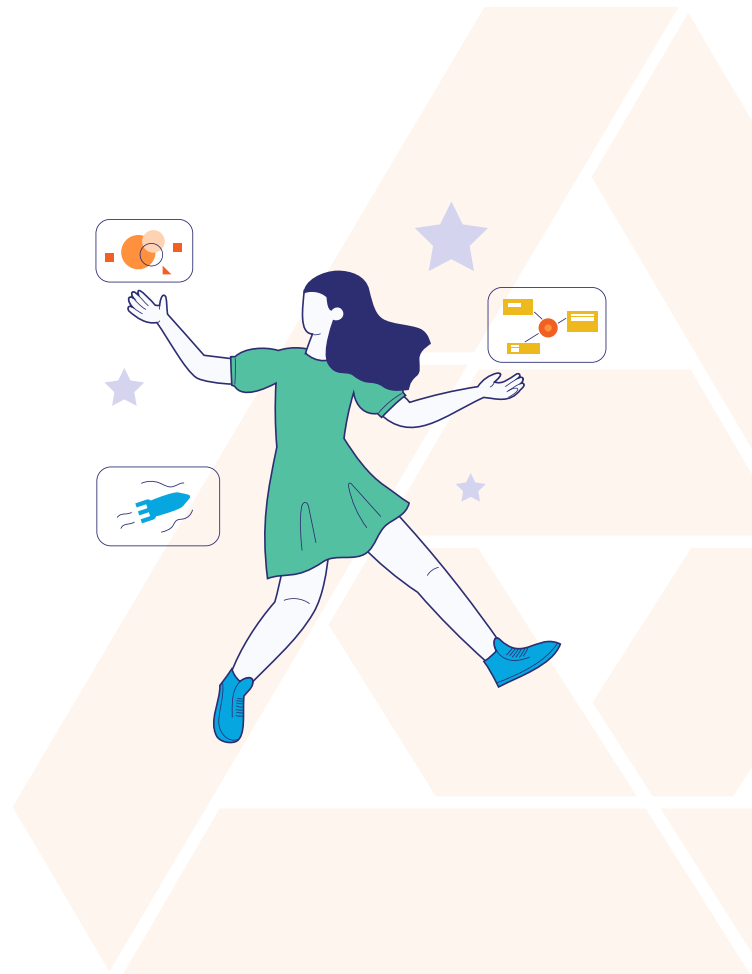
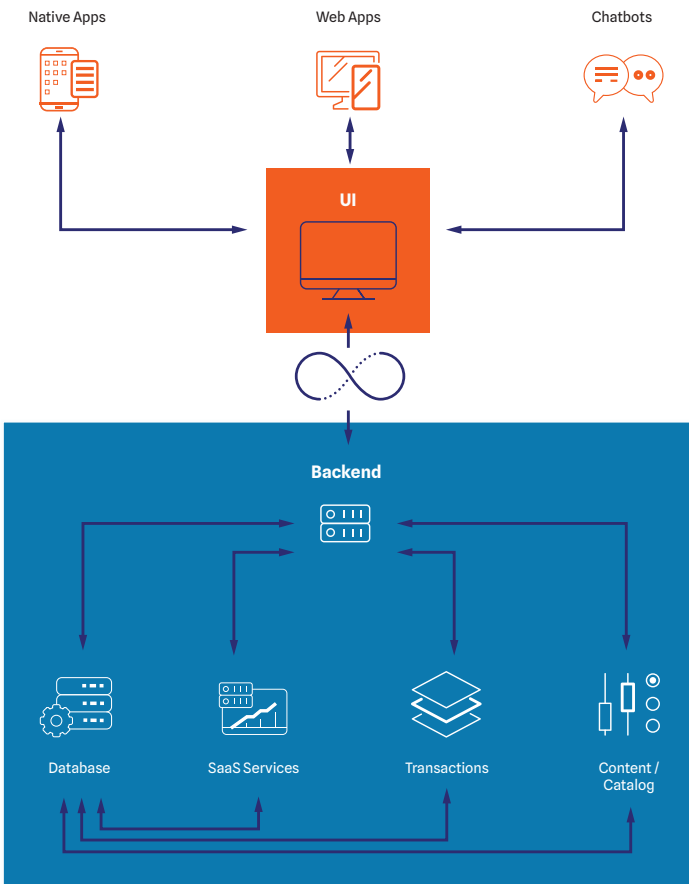
## MACH ARCHITECTURE: THE CUTTING EDGE OF EIS CORETECH

### H = Headless

Without getting too far into the technological weeds, the “headless” principle of coretech architecture enables the separation of the front-end user interface from back-end applications. Insurers who choose a headless approach can create more flexible and customized end-user experiences ... whether those end users are individual payers, HR departments, brokers, or your own customer service staff. By separating the front-end interfaces from the back-end applications, data can flow more freely, and more customizations and personalized offers can happen in real time.

However, having headless options built into a platform’s architecture doesn’t necessarily mean an insurer must use the headless setup. If you’d prefer, you’re still 100% able to manage the back-end and the front-end applications as a single system to avoid replicating changes. Ambitious insurers need the power to choose a back-to-front setup that works best for their operations, and having this flexibility built into your coretech ensures you...

...have the functionality you need.



# How Today's Ambitious Insurers are Winning With Cutting-Edge Coretech



HOW TODAY'S AMBITIOUS INSURERS ARE WINNING WITH CUTTING-EDGE CORETECH

While the theory behind coretech and the MACH architecture sound fantastic, we all know the proof isn't in theory — it's in the implementation, execution, and results.

## AIG Canada

Using EIS to upgrade their group benefits platform, AIG Canada achieved:

 **95%** ↓ **decrease**  
in time to issue policies

 **90%** ↓ **decrease**  
in time to review policies



 Implemented the EIS Suite in **11 months** & ↓ **20%**  
**under budget**

Launched **27**  **new products** across **4**  **product lines**

with a **75%**  ↓ **reduction**  
in time required to introduce new products

## Major North American Mutual Insurance Company

A major mutual insurance company in North America chose EIS to launch new products in record time.

Delivered  in under **6** **new products**  **7 months**

(Compared to the industry average of one product in 18 months.)

Launched **critical illness** and **accident products** in just

 **6 months** to sell to individuals.

“Technology is rapidly transforming all of our lines of business. This was an opportunity to collaborate with some of the industry leaders in technology, along with our business partners, to bring a winning set of capabilities to market rapidly and effectively.” – **CIO**

## MACH ARCHITECTURE: THE CUTTING EDGE OF EIS CORETECH

### Wellfleet

Wellfleet's goal was to build a customer-centric platform with a consistent, multi-channel experience. With EIS, they were able to:

#### Process

**all**

fourth-quarter business for new cases and major re-enrollments for a January 1 effective date

#### Cut



data validation process to hours or days, not weeks

Deploy a single platform in under



for

**4**

**different products**

**11 months**

#### Launch



the ability to generate customized plan designs with a smooth flow of accurate, case-specific information from **quote to claim**



Collaborating with EIS, we were able to leverage their cloud-based coretech to provide our customers with a highly personalized workplace benefits experience.”” **–Drew DiGiorgio, President & CEO, Wellfleet**

### Major North American Life Insurance Company

When a major life insurance company wanted to expand their reach to a growing population of independent and part-time workers who did not have access to employee benefits, they partnered with EIS.

**80%**

digital engagement with their members



**40pt**

**jump** in their Net Promoter Score



**4**

new products deployed in **12 months**



**2 to 3**



**month reduction** in the time to make regulatory changes live across all systems



# Want to know more about what EIS can do for you?



**Greenfield Projects With EIS Suite**

[Download now](#)



**Case Study: How Wellfleet Insurance Thrived With Digital-First Coretech**

[Download now](#)



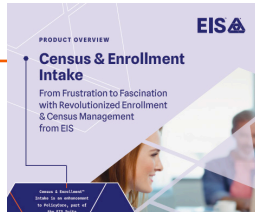
**Portals: The Gateway to Efficient Insurance for All Users**

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**Holistic Absence Management: From Claims to Compliance and Beyond**

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**[Access our series on nitpicking core systems like a pro.](#)**

**Sound interesting?**

[Book a call with a coretech expert](#)

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