



CASE STUDY

Review of Long-Term Disability Plan Secures Reduction to Core Plan Rates



The Request

Review the financials and claim management of the Long-Term Disability plan to help identify opportunities for improvement

Company Profile

Industry: Telecom

Number of employees: 40,000

Request

A telecom company requested that Brown & Brown review both the financials and claim management of its Long-Term Disability plan to help identify opportunities for improvement.



The Solution

Released an RFP to the market to help improve claim management moving forward

Solution

Brown & Brown's Strategic Non-Medical Solutions team initially examined the current claim metrics to past baselines. By leveraging data across extended periods and prior carriers, it became clear that claim handling performance metrics had begun to decline. The current carrier had missed performance guarantees, and claimant complaints were rising.

While still attempting to remediate the relationship, the team determined releasing an RFP to the market would achieve a comprehensive outcome. By pulling together the customer's past four years of experience prior to the incumbent carrier's involvement and current run date, the Brown & Brown team built a combined experience exhibit for bidding carriers.

By providing this information, bidders understood how the experience would have performed with more aggressive claim management in the past. With this insight, the bidders determined how the plan would run under their claim administration.



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The Results

Secured a reduction to core plan rates and no increase in its renewed voluntary buy-up rates

Results

This detailed claims comparison between prior and current carriers allowed the Brown & Brown Strategic Non-Medical Solutions team to have a dialogue with bidders, giving less weight to the most recent two plan years when case management was inadequate.

As a result, the customer secured a 31% reduction to core plan rates versus the incumbent carrier's original request for a 25% increase. Additionally, they renewed voluntary buy-up rates "as is" versus the incumbent's requested 20% increase.



How Brown & Brown Can Help

Connect with our Brown & Brown team to learn about our knowledge in your industry, how we build our non-medical benefit strategies and how we can aid your business in building a cost-saving employee benefits program.



Find Your Solution at [BBrown.com](https://www.brownandbrown.com)

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