



Influencers in the Field

Samantha Torres, Senior Marketing Account Manager

D: 571.282.2399 | O: 800.636.2377

samantha_torres@ajg.com | [Samantha's LinkedIn](#)

Maximizing Member Benefits: Life and Health Group Insurance for Associations

Quality associations constantly evolve their offerings to satisfy their members' unique needs. The chief function of the organization is to provide personal and professional value to members' lives, and it is the single most important aspect of a membership **retention strategy**.

Group life and health insurance programs are essential to protecting every family's financial security and wellbeing. Offering these benefits as group plans can help members get easier access while spending less on these essential protections.

Benefits of Life and Health Group Insurance

Affordable Insurance Solutions

Group insurance plans often come at lower costs compared to individual policies. This is mainly because the risk is spread across a larger pool of insured policyholders.

Individuals shopping for health plans may face higher premiums based on their health status and risk factors in their life — such as pre-existing conditions or a

hazardous occupation — or if their other options for affordable coverage are scarce.

In a group plan, associations can pool and leverage their large patient volume to negotiate lower rates for each member. The premiums and patient risk aren't focused on one individual or family's liabilities; everyone buying into the plan shares them.

To save even more, associations can offer and encourage members to take advantage of:

- Preventative benefits, lowering the risk of other payouts being used later.
- Wellness incentive programs.
- Telemedicine services, which are cheaper than in-person visits.
- Multiple health savings account (HSA) options.
- The ability to shop plans and compare providers to find the best rates.

Group plans offer more affordable coverage for everyone involved. By giving members access to these benefits and educating them on cost-saving strategies, associations can provide their families the financial security and healthcare they deserve for less.

Enhanced Member Attraction and Retention

An association providing access to affordable life and health benefits is attractive to potential and existing members. People are more likely to join or stay if they perceive an added value through comprehensive insurance coverage.

These benefits make membership more reliable and allow certain people to be less dependent on employer-based benefits. This can be crucial in a couple of ways, such as:

▶ **Helping workers in fields or occupations with limited options.**

Association group plans give a viable option to member bases who don't have access to the insurance benefits employees at larger companies receive. It can bring together groups of similar individuals — such as entrepreneurs, small business employees and contractors — to form a comprehensive, low-cost group program.

▶ **Freeing members from being dependent on employment status.**

If a member suddenly loses their job and needs to find a new plan, they can get a policy through their membership — or join an association if they aren't a part of one. They wouldn't have to scramble to find new coverage if they already had a plan through an association.

Tailored Coverage Options

Associations can offer customized group programs with specific provisions to meet the unique needs of a base or faction. Tailored programs are much more valuable and attractive for members than generic plans.

Members have varying needs depending on:

- Age
- Family status
- Medical history
- Financial situation
- Lifestyle
- Occupation

One's life and health coverage depend on these factors and can drive up costs when shopping for individual

plans, or particular groups simply may want or need certain endorsements.

Other coverages can be included with basic life coverage, such as:

- Accidental death and dismemberment (AD&D)
- Disability
- Hospital indemnity

With health insurance, add-ons are available with standard coverage, such as:

- Accident and injury
- Critical illness
- Dental
- Vision

A well-constructed group program offers flexible coverage options that satisfy the requirements of every member. Working with a highly-regarded insurance partner with such capabilities is crucial, but I'll get to that later.

Improved Member Wellbeing

Life insurance provides members and their families financial protection in the event of an untimely death. And health insurance ensures members can receive necessary medical care, leading to better overall health outcomes, especially if preventative and wellness features are utilized.

There's also mental and emotional aspects as well. These benefits give policyholders peace of mind, knowing they are covered should the worst happen. It's unpleasant to think about, but it should relieve some anxiety knowing they have a safety net should they ever need it.

The tangible and intangible benefits can be invaluable to someone with limited access to coverage options.

Key Considerations for Associations

Assessing Member Needs and Market Insights

It's important to always keep up with members' needs. Their lives constantly change, and dynamic associations know how to evolve their offerings. This is especially true regarding insurance solutions.

These lifestyle and industry patterns need to be reviewed periodically. It's recommended to check-in about once or twice a year, but it can also depend on membership turnover. If there is a period where an association gains or loses a large number of members, perhaps it should check-in sooner to ensure timely, accurate data.

Here are a few common practices for keeping up with members' lives:

- **Conduct surveys** – Associations can deploy [surveys](#) asking members for their basic information, needs and desires. Organize these findings into a comprehensive database.
- **Host focus groups** – Through [thoughtful and insightful conversation](#), leaders can discover unique insights from members that can't be captured on a survey.
- **Analyzing member behavior and engagement** – Tracking engagement from the website, events, communication channels and resources an association provides can help gauge the popularity and usefulness of certain offerings.

It's also critical to understand the current life and health insurance landscape. Here are some key insights on the state of the current market:

- When it comes to life insurance, millions of Americans are underinsured, and many are misinformed about the [cost](#) and appropriate amount of coverage they need.
- Fifty percent of Americans said they would be more likely to buy life insurance if they didn't have to take a medical exam — group life insurance policies usually do not require them.
- One in six Americans stay at a job they don't like out of fear of having to downgrade or lose their health benefits.
- Small businesses struggle to offer good benefits, as fewer options give insurers leverage to drive up rates.
- [Contracted skilled trade workers](#) have the highest uninsured rate and are more likely to get injured on the job.

If an association's membership consists of small business employees, entrepreneurs or contract workers, a group program can benefit them immensely. Their options for affordable, comprehensive coverage are hard to come by, as they are without the capabilities of larger companies.

Education and Convenience

Understanding the intricacies of life and health insurance is challenging for those inexperienced with shopping for coverage. It's imperative to provide educational resources and clearly communicate the benefits and details of each program.

Here are a few common mediums through which policyholders can be educated:

- **Articles** – Associations can link to blog posts from insurance experts or content from their insurance partner that explains complex concepts at a high level, offers tips that enhance financial literacy and addresses common myths and misconceptions.
- **Brochures** – Any good insurance provider usually has brochures highlighting the value of insurance and clarifying policy details. Associations can link digital versions on their website or send print versions in the mail.
- **Glossaries** – A glossary can simplify insurance jargon.

When it comes to customer experiences, easy-to-use digital portals and reliable customer service support help members understand and utilize their coverage effectively. They must be able to purchase and manage their policies, answer all their questions, file claims and so on with little difficulty.

Poor service is a major turn-off and can make members question the reliability of their membership. Association leaders must collaborate with an insurance partner to provide seamless service and member experiences.

Choosing the Right Insurance Partner

I understand many of the recommendations in this article may seem overwhelming to achieve on your own. That's why I want to emphasize the importance of finding a reputable insurance brokerage to help you execute these programs properly.

Partnering with a reputable insurance brokerage, like Gallagher Affinity, can help associations navigate the complexities of group insurance and deliver exceptional value to members. Our experienced team of professionals knows the ins and outs of creating group insurance policies. Our expertise makes us a reliable partner when shopping options from different carriers, as we help ensure a balance of quality coverage and cost-efficiency.

We understand the insurance aspects, and you know your base. Together, we can give your members the life and health coverage they deserve with a robust and reliable group insurance program.



To explore our insurance products, solutions and member savings program, or to connect with an expert to assess your current offerings, visit gallagherperks.com/samantha-torres.



The information contained herein is offered as insurance industry insight and provided as an overview of current market risks and available coverages and is intended for discussion purposes only. This publication is not intended to offer legal advice or client specific risk management advice. Any description of insurance coverages is not meant to interpret specific coverages that your company may already have in place or that may be generally available. General insurance descriptions contained herein do not include complete Insurance policy definitions, terms and/or conditions, and should not be relied on for coverage interpretation. Actual insurance policies must always be consulted for full coverage details and analysis. Gallagher publications may contain links to non-Gallagher websites that are created and controlled by other organizations. We claim no responsibility for the content of any linked website, or any link contained therein. The inclusion of any link does not imply endorsement by Gallagher, as we have no responsibility for information referenced in material owned and controlled by other parties. Gallagher strongly encourages you to review any separate terms of use and privacy policies governing use of these third party websites and resources.

Insurance brokerage and related services to be provided by Gallagher Affinity Insurance Services, Inc. (License No. 100310679 | CA License No. 0783129).

© 2024 Arthur J. Gallagher & Co. | 1509707498