VOLUNTARY ADVANTAGE

EIS
FOR AMBITIOUS INSURERS

THE IMPORTANCE OF CARRIER ADMIN TECHNOLOGY

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This whitepaper is a joint venture between EIS and Voluntary Advantage to help brokers understand insurance terminology and its possibilities.

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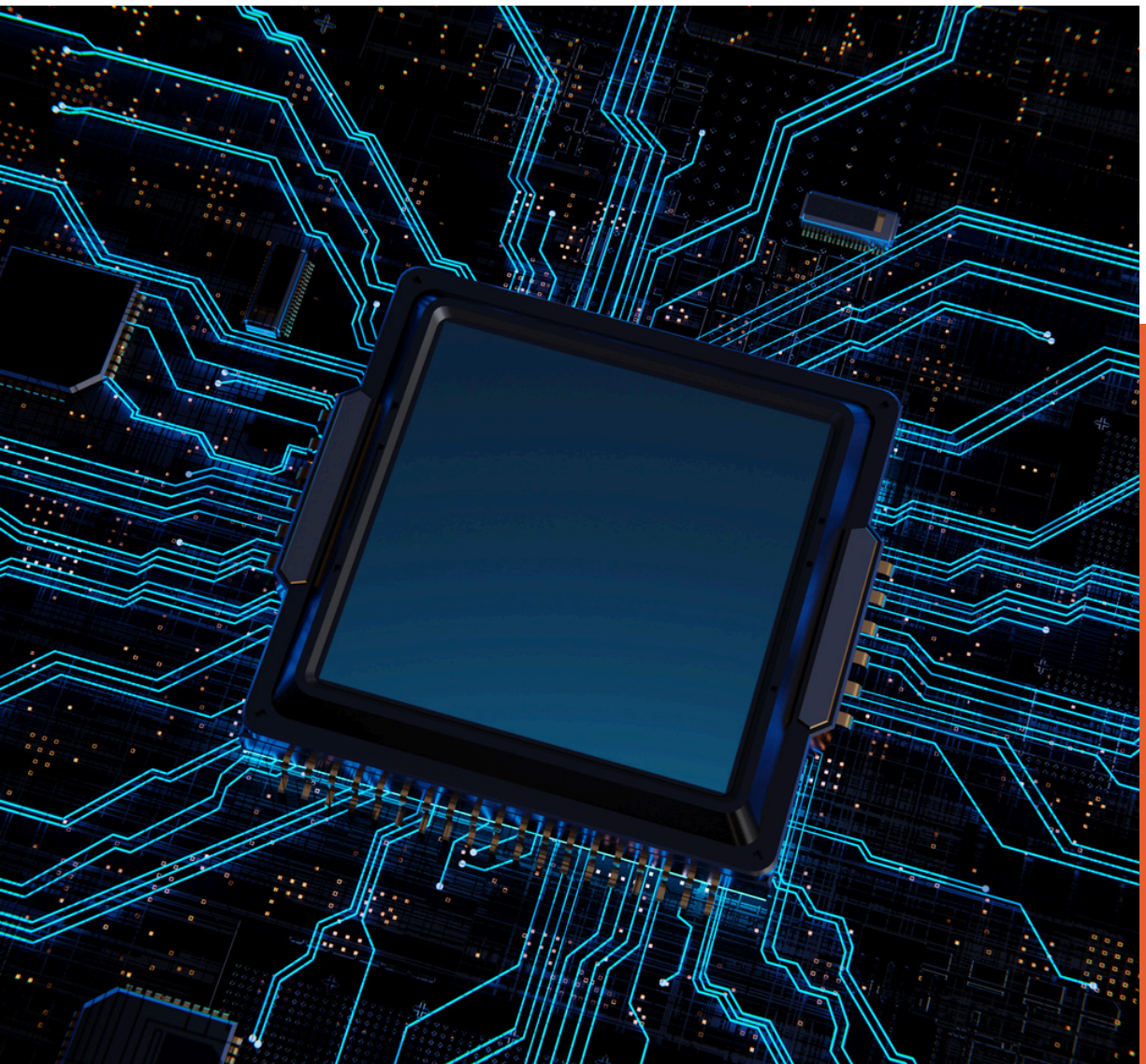

Why Brokers Need To Pay Attention To Carrier Admin Technology

In today's voluntary benefits landscape, brokers are tasked with more than just spreadsheeting carriers for their employer clients—they must also ensure that the carriers they partner with can deliver their products efficiently, flexibly, and reliably. For too long, outdated technology has created frustrating obstacles, both for brokers trying to manage plans and for employers and employees using them. These challenges, deeply rooted in carrier legacy admin systems, have become almost accepted as the norm. But they don't have to be.

Imagine a world where enrolling in benefits is seamless, where systems communicate effortlessly with one another, and where updates and changes don't cause major disruptions. This isn't just a dream—it's possible with the right technology. Some carriers are already making this a reality, and brokers who understand and insist on these technologies will be better equipped to serve their clients and solve the industry's most persistent problems.

Life After Digital?

CLICK HERE

If you would like to hear about what using a better core system looks like for a carrier, Pacific Life and Wellfleet – two companies that have boldly chosen the digital path and redefined what it means to deliver fully digital and customer-centric experiences – presented with EIS on a webinar to talk about #LifeAfterDigital. It is a must see for any broker interested in guiding their clients one what the market expects from insurance carriers.

Understanding The Technology That Makes a Difference

Now that we've established why carrier technology is so important, let's delve into the specific technologies that are transforming the industry. One approach that's gaining significant traction in all industries is known as MACH architecture. MACH stands for Microservices, API-first, Cloud-native, and Headless—a combination of technologies that together create a more flexible, efficient, and scalable system.

But don't worry if these terms sound technical; what's important is how they solve the pain points that have plagued the industry for years:

Microservices:

- **Legacy Pain:** Traditional systems are often built as monolithic blocks, meaning that even a small change—like updating the enrollment process—requires extensive testing and can disrupt other parts of the system. For example, modifying a benefits plan might mean taking the entire system offline for hours or even days.
- **Pain-Free with MACH:** With microservices, each part of the system operates independently. This means that carriers can update, scale, or fix a specific service—like the enrollment process—without affecting the rest of the system. For instance, a carrier can roll out an enhancement to the claims process while leaving other parts of the platform, like billing or member management, fully operational.

API-First:

- **Legacy Pain:** Integrating a new payroll system or HR platform with a carrier's benefits administration system often requires custom development, weeks or months of testing, and ongoing maintenance. Systems don't naturally "talk" to each other, leading to data errors and synchronization issues.
- **Pain-Free with MACH:** An API-first approach ensures that every function of the carrier's system is accessible via well-documented APIs. This makes it easy for brokers to connect the carrier's system with their clients' existing tools. For example, when an employer switches payroll providers, the carrier can quickly integrate with the new system, ensuring smooth data flow with minimal disruption.

Understanding The Technology That Makes A Difference

Cloud-Native:

- **Legacy Pain:** Legacy systems are typically hosted on-premises or in outdated data centers, leading to scalability issues and frequent downtime during critical periods like open enrollment. Upgrading these systems is often a complex and costly process.
- **Pain-Free with MACH:** Cloud-native systems are built in the cloud from the ground up, allowing them to scale dynamically based on demand. During open enrollment, for example, a cloud-native system can automatically scale to handle increased traffic, ensuring that employees can enroll in their benefits without facing slowdowns or system crashes.

Headless:

- **Legacy Pain:** Carriers often have rigid front-end interfaces (or portals) that are difficult to customize. This results in a one-size-fits-all user experience that doesn't adapt well to different devices or employer needs. For example, the mobile experience might be a clunky, scaled-down version of the desktop site, frustrating employees who want to manage their benefits on the go.
- **Pain-Free with MACH**: Headless architecture decouples the front-end user interface from the back-end services, allowing carriers to develop and deploy highly customized, user-centric experiences across various devices and platforms. This means a seamless, responsive design that looks and works great on any device—whether it's a smartphone, tablet, or desktop computer—ensuring that employees have a smooth experience no matter how they access their benefits.

These examples demonstrate how MACH architecture directly addresses the challenges brokers and their clients face with legacy systems, providing tangible improvements in flexibility, integration, scalability, and user experience. In the insurance world, the term used to describe modern carrier admin systems that have adopted the MACH architecture is called "coretech" and the emerging term to describe legacy admin systems is "modern legacy".

Insisting On Coretech Carrier Admin Technology

As the voluntary benefits industry continues to evolve, the role of technology in delivering high-quality, flexible, and reliable benefits programs has never been more critical. Many of the longstanding pain points in the industry have been accepted for too long, largely due to the acceptance of the limitations of carrier legacy admin systems.

However, the technology now exists to solve these issues, and some carriers have already successfully implemented coretech solutions. It's time for brokers to take a stand and prioritize placing business with carriers that have adopted this advanced technology.

To help you in this effort, we've created a table that outlines ten key questions to include in your RFIs to carriers or to raise during finalist presentations. This table introduces the relevant topics, provides sample questions to ask, explains why each question is crucial, and offers example responses that can help you determine whether a carrier's technology aligns with coretech principles or falls short. By insisting on coretech-based carriers, brokers can ensure they are choosing partners who are capable of addressing and resolving the industry's most persistent challenges.

"Coretech"

The term used to describe modern carrier admin systems that have adopted the MACH architecture.

"Modern Legacy"

The emerging term to describe legacy admin systems.

Key Questions

Topic	RFI Question	Guidance	Coretech Response	Modern Legacy Response
Core Admin Technology: **Headless Architecture**	Describe how your software supports a headless architecture. Can your system's front-end and back-end operate independently?	**- Coretech:** Separation of front-end and back-end; UI can be customized/ replaced without affecting back-end. - **Modern Legacy**: Tightly coupled front-end and back-end, changes to one affect the other.	*"Our software fully supports a headless architecture. The front-end UI is completely decoupled from the back-end services, allowing you to customize or replace the UI without impacting the underlying business logic or data management."*	*"Our software allows some customization of the front-end, but it is tightly integrated with the back-end. Significant UI changes require corresponding back-end changes."*
Core Admin Technology: **API-First Design**	How does your software implement an API-first design? Are all functions and services within your system accessible via APIs?	- **Coretech:** APIs are the primary access method, all services/functions exposed via well-documented APIs. - **Modern Legacy:** APIs were added later or are limited in scope, not integral to the design.	*"Our software is built with an API-first approach, meaning all core functionalities and services are exposed via well-documented RESTful APIs, ensuring easy integration with other systems."*	*"We have added APIs to our software to allow for integration, but not all functionalities are accessible via API, and some may require direct back-end access."*
Core Admin Technology: **Microservices Architecture**	How does your system utilize a microservices architecture to ensure modularity and independence of services?	- **Coretech:** System is modular, with independent microservices interacting through APIs. - **Modern Legacy:** System described as monolithic or with large, interconnected components.	*"Our system is built using a microservices architecture, where each service is modular, independent, and communicates with others via APIs, allowing for high flexibility and resilience."*	*"Our software is built as a cohesive unit, with most core functionalities tightly integrated, making it closer to a monolithic design."*

Key Questions

Topic	RFI Question	Guidance	Coretech Response	Modern Legacy Response
Core Admin Technology: **Interoperability with Third-Party Services**	Describe how your software integrates with third-party services. How do you ensure seamless interoperability through APIs?	**- Coretech:** Easy API integration, supports a wide range of third-party services. **- Modern Legacy:** Requires custom connectors / middleware for third-party integration.	*"We ensure seamless interoperability with third-party services through open, standards-based APIs. Our software supports integration with a wide range of third-party solutions and offers pre-built connectors for popular platforms."*	*"Integration with third-party services is possible but often requires custom connectors or middleware. New integrations may require development work on both sides."*
Core Admin Technology: **Customization and Extensibility**	How does your software allow for customization and extensibility without requiring modifications to the core system?	**- Coretech:** Custom features added via APIs / extensions without modifying core. **- Modern Legacy:** Customization requires core modifications or has significant limitations.	*"Our platform is highly extensible and allows for customization without modifying the core system. We use a plug-in architecture that lets you add or replace components via APIs, ensuring customizations are maintained during system upgrades."*	*"Customization is possible but often requires changes to the core system, which can complicate future upgrades. Limited options exist for extending functionality without modifying the base code."*
Core Admin Technology: **API Documentation and Developer Support**	What resources and documentation do you provide for developers to effectively use and integrate your APIs?	**- Coretech:** Comprehensive API documentation, developer portals, tools like SDKs and sandboxes. **- Modern Legacy:** Limited / poorly documented APIs, lack of developer tools.	*"We provide comprehensive API documentation through our developer portal, which includes detailed guides, examples, SDKs, and access to a sandbox environment for testing. Our support team is available to assist with integration and development challenges."*	*"Our API documentation is available upon request, but it may not cover all use cases. We do not currently offer a dedicated developer portal, but our support team can help with specific questions."*

Key Questions

Topic	RFI Question	Guidance	Coretech Response	Modern Legacy Response
Core Admin Technology: **API Versioning and Governance**	How do you manage API versioning and ensure backward compatibility when updates are made?	**- Coretech:** Clear versioning strategy, ensures backward compatibility. - **Modern Legacy:** Lacks versioning policy or frequently breaks backward compatibility.	*"We follow a strict API versioning strategy to ensure backward compatibility. When we release new API versions, older versions are supported for a significant period, allowing you to upgrade at your own pace without disruption."*	*"We update our APIs periodically, but we don't always maintain backward compatibility. When new versions are released, older versions may become obsolete, requiring updates to your integrations."*
Core Admin Technology: **Security and Access Management for APIs**	How do you ensure secure access to your APIs, and what mechanisms are in place for identity and access management (IAM)?	**- Coretech:** Strong security measures like OAuth, JWT tokens, fine-grained IAM. **- Modern Legacy:** Weak security or outdated methods.	*"Security is a top priority for our APIs. We use OAuth 2.0 for secure authentication, JWT tokens for session management, and fine-grained IAM policies to control access. Our APIs are regularly audited for security vulnerabilities, and we follow industry best practices for data protection."*	*"Our APIs use basic authentication and SSL for security. We have some IAM controls in place, but they are not as granular as some might prefer. Security reviews are conducted periodically."*
Core Admin Technology: **Support for Multiple Front-Ends**	Can your system support multiple front-ends (e.g., web, mobile, IoT) through its APIs without requiring changes to the back-end?	**- Coretech:** APIs support different front-ends independently, reinforcing headless design. **- Modern Legacy:** Struggles to support multiple front-ends, back-end changes needed.	*"Our APIs are designed to support multiple front-ends, including web, mobile, and IoT devices. You can develop and deploy different UIs independently, without needing to modify the back-end services. This flexibility is a core part of our headless architecture."*	*"While our system can support different front-ends, doing so often requires back-end changes to ensure compatibility. Our APIs are not always flexible enough to handle multiple front-ends without some adjustments."*
Core Admin Technology: **Future-Proofing and Vendor Lock-In**	How does your software architecture protect against vendor lock-in and ensure that future upgrades or changes will not limit our ability to integrate new technologies?	**- Coretech:** Emphasizes open standards, modularity, backward compatibility. **- Modern Legacy:** Relies on proprietary technologies, lacks openness, risks vendor lock-in.	*"We are committed to open standards and ensuring that our clients are not locked into proprietary technologies. Our modular architecture and adherence to MACH principles mean you can easily integrate new technologies as they emerge, and you're free to move or extend your system as needed without being tied to our platform."*	*"Our software uses some proprietary technologies, which may limit your options for future integrations. While we support some open standards, our architecture is primarily designed to work within our ecosystem."*

About Us

Anthony “Tony” Grosso

Head of Growth / GWB Insurance Markets

Tony has over 25 years of hands-on experience leading innovation, business development, product and marketing across all sectors of the insurance industry. Tony is leading the GWB market for EIS, a high growth company, helping Voluntary Benefits insurers to achieve their ambitious plans and incredible potential.

EIS™ FOR AMBITIOUS INSURERS

EIS

Let’s face it: we all know legacy systems are holding insurers back

This is why it’s our mission as a coretech supplier for insurers to stop that problem in its tracks. Our cloud-native SaaS platform is built to catapult insurers past old, legacy limitations, and to truly future-proof their technology ecosystem so their business model, product offers, and ways of serving their customers are never held back again, so they can have the truly agile operations of a tech company, rather than a legacy company stuck in decades past. Learn more at www.eisgroup.com.

VOLUNTARY ADVANTAGE

Voluntary Advantage

Created by the Voluntary Benefits Industry, for the Employee Benefits Industry

Our mission is to give the Voluntary / Workplace Benefits industry a voice and drive innovation, by providing a platform that encourages collaboration and the creative sharing of information and ideas.