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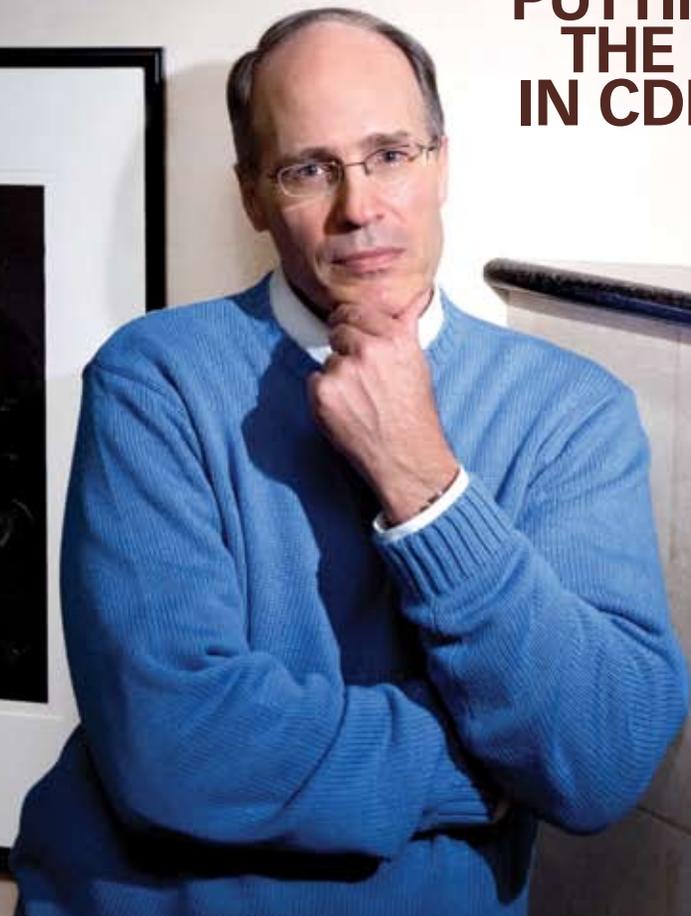
# EMPLOYEE BENEFIT Adviser

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## data GURU

HOW CONSULTANT  
DAVID LIND'S  
DEVOTION TO  
DATA ANALYSIS  
TRANSFORMED HIS  
BROKERAGE



# 'A student within the data'



Veteran consultant David Lind has developed a decade's worth of producing the Iowa Employer Benefits Study into a surefire business plan that's made him the go-to resource for benefits information in the state of Iowa.

WRITTEN BY ELIZABETH GALENTINE & PHOTOGRAPHY BY MARK KEGANS

When speaking of David P. Lind & Associates, Tom Bachmann effuses unwavering confidence in the benefits consulting firm he's worked with for the past decade. The vice president of support for Iowa's Grinnell Mutual Reinsurance Company knows just where to go whenever his board of directors needs benchmarking information on employee benefits. "They are *the* source. No one even questions it," Bachmann says of DPL&A. "Whenever anybody wants information on benefits in the state of Iowa those are the people that they call."

In 1995 when David Lind founded his firm outside Des Moines, the former Northwestern Mutual group benefits broker knew he wanted to "service the living daylights out of clients," but the thought of creating an annual statewide survey that would provide a unique opportunity for him to do so hadn't crossed his mind. The impetus was a suggestion from his first employee that, four years later, led to the creation of the Iowa Employer Benefits Study.

"1999 was really a pivotal year for us because that's when we decided to do something very different in the marketplace," says Lind. "There was a void locally and even regionally for the information that we were looking for to help arm our clients with information on employee benefits; for them to really compare themselves to others."

What began as a regional survey of employers with at least 20 employees in nine counties in central Iowa has grown over the past decade to encompass approximately 900 employers with as few as two employees across all of the state's 99 counties.

## CONSTANT STUDENT

Even more thrilling than the evolution of the survey is what it has done for DPL&A professionally, and Lind personally. Thanks to the study, the Clive, Iowa, company has gone from positioning itself as an average brokerage to an all-encompassing benefits consulting and research firm.

But don't think it's just another way to push product.

"I think clients are looking for more of an overall direction: 'Where do we go with the benefits that we offer to our employees?'" says Lind.

With the help of the survey, DPL&A is distinguishable by not only predicting the future but "inventing it" through new initiatives

not currently in the marketplace, he adds.

For example, Lind has joined forces with Dr. Jim Merchant, director of the University of Iowa Healthier Workforce Center for Excellence, to work with the Iowa State Public Policy Group to implement the Real Iowans Research Initiative on the integration of occupational health services and primary care. With such practices already proving successful at jumbo employers such as IBM and Johnson & Johnson, Merchant hopes working with Lind to poll "grassroots Iowans" will help translate that success to small and mid-size employers.

"Collaborating with David as somebody who really specializes in employment benefits and who's interested in evidence-based results, which he obviously is as a result of his annual survey, we think is perhaps the best way to approach learning about what is being done, what level of satisfaction employees have with these programs, the degree to which they participate and how they see the interface between employment-based health services and primary care health services," says Merchant.

Lind knows not all of the employee benefits field is willing or prepared to commit to such educational projects. "It's more difficult to do that and it tends to be a hindrance to those who are more production oriented," Lind explains. "They don't have the time, they don't have the energy and probably most importantly they don't have the passion to become a student within the data."

"I think I would be dead in the water if I didn't want to continually learn and understand the issues that are out there ... the more I read, the more I dig into it, the more I realize the less I know and it's very humbling."

## A CREDIBLE SOURCE

When it comes to gearing up for the Iowa Employer Benefits Study each year, Lind starts with the basics. After putting together a series of questions — standards such as benefits offered and employee contribution rates remain constant while others, like expanding Medicare and health care reform, rotate in on a relevant basis — employers are randomly selected to participate. Then, to keep it statistically and professionally sound, Lind partners with Data Point Research Inc. to distribute it in early spring and tabulate the results by summer. Lind then reviews the "mounds of information" to put together a cohesive results package to have in the

hands of employers in time to make open enrollment decisions.

All DPL&A clients and study participants receive a free copy of the survey. Additionally, through the Web application on DPLAbenchmark.com, employers who are not clients of DPL&A can, for a fee, enter their benefit information to receive a 25-30 page pdf file comparing their information to the overall study and to one of 15 or 16 industries closest to their own.

"It's kind of like Pavlov's [dog] response where the bell rings and the dog starts salivating," says Lind. "With the study itself or the benchmark clients, [employers] have come to really depend on receiving this information to help them plan ahead."

Thanks to the publicity generated by the study — *The Des Moines Register* runs regular articles on it, among others — DPL&A does not actively solicit business. But once again, Lind insists its primary purpose is not to build his book of business. "I don't want this study to come across as nothing but PR for David P. Lind & Associates," he says. "Most important for us is that we want it to be perceived and consumed as very credible information."

As Iowa Insurance Commissioner, Susan Voss finds the study very helpful. She enjoys meeting with agents and brokers around the state to keep up with what's happening "on the front lines," and Lind is no

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exception. "David has been one of those who has a very good survey that people rely on. He's an excellent speaker, he's a good communicator," says Voss. "I'm sure he's getting business from that, but you sense a real neutral stance when he's doing that kind of information."

Of course, it would be easy for Lind to take advantage of the notoriety the study has gained over the years and allow sponsors with their own questions and revenue agenda to join in, or to actively solicit the business of study participants. Instead, Lind limits the self-promotion to brief biographical information about the company.

"We talk a little bit about who we are, but we leave it at that," he says. "I'm still learning and sometimes I think we've done such a good job of keeping the study as credible as possible that employers may think that we are more of a research firm than a consulting firm. I didn't intend that to be the situation, but the research does allow us to more accurately consult with clients. We go to great lengths to soft-sell our consulting services."

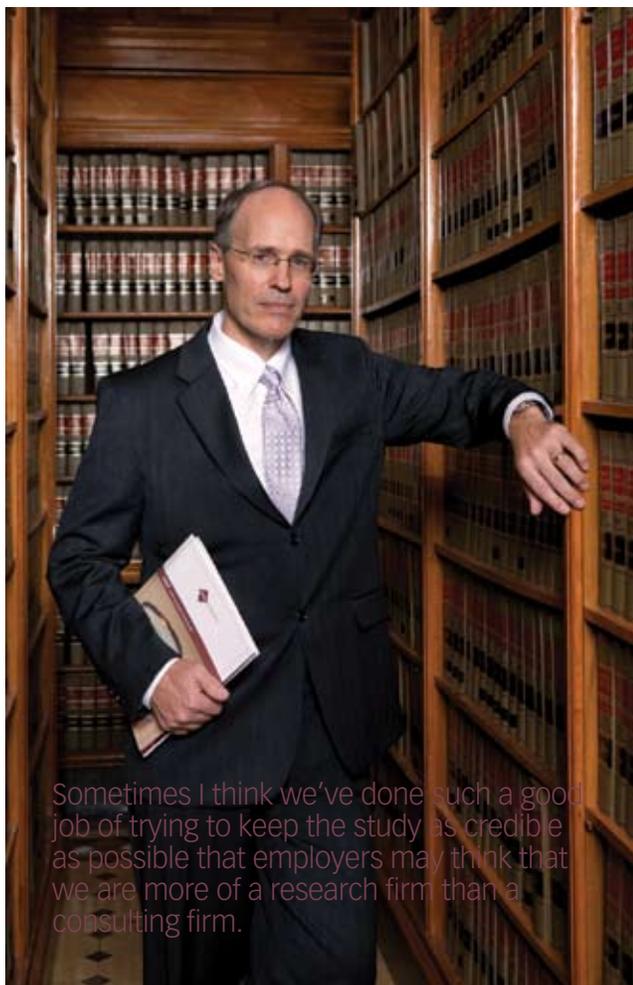
#### STRATEGY AND ANALYSIS

If anything, Lind may be going a little too far to separate sales leads from the survey efforts, says Bachmann. "We've always felt that the information they gave us was information we could rely on, wasn't going to be slippery, wasn't going to be ambiguous. They are people of great integrity well beyond what you would imagine in corporate America today," he says. "My concern for his business is that other people are going to figure out what he's doing and compete with him. He was the first one and that gives him strategic advantage, but that doesn't guarantee his survival."

Even so, it's Lind's "independent nature" that's kept Diane Langner a happy customer for more than five years. "He charges on a flat fee that's calculated based on the number of hours we typically use or estimate to use in a year. Therefore, he's not biased toward any particular insurance company or benefit program and that's worked very well for us," says the human resource administrator at Des Moines University.

"We often tell prospective clients that if all you're looking for is having access to different insurance vendors, here, we'll give you the 800 numbers specifically of those vendors and call them up directly and get quotes," says Lind. "But if you're looking for something beyond just quotes, if you're looking for direction, if you're looking for some type of strategic discussion and analysis of where you want to go with your benefit plans, then let's talk."

After the University's first significant rate increase in several years, Langner turned the DPL&A study into a slideshow to head off employee complaints. "When I have to give them the bad news that their premium is increasing I can still show them that we're still a better plan, they're still paying less than the majority of employees across the state," she says.



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The Iowa Legislative Health Care Coverage Commission benefits from the study as well, particularly now that it has expanded to include employers with two to nine employees. “It’s really hard to get data in that area,” says Anne Kinzel, Commission coordinator. “Nobody does that kind of work very often and with his work we’ll be able to establish a trend line in that.”

When Lind presented to the Commission in December 2009, members were amazed to hear survey data revealing that only about 20% of small firms in Iowa utilize the tax advantage of Section 125 plans. “They tend to think that all small firms are maximizers of their opportunities because most of them are pretty high-powered folks in the community and they just don’t think like very small employers,” says Kinzel. That nearly 80% were not participating “completely blew away the commissioners and I think gives us an opportunity in terms of some of the education we want to do to get those firms to use that option in the short run until we get more reform.

“Also, it kind of tweaks the broker community to think about, ‘Hey, what are we educating our folks about?’”

That’s what it all comes down to for Lind. Sure, he has to put in a “grueling” six to eight months of data analysis that leaves him feeling cross-eyed, but the effort is worth it to be able to apply first-hand employer benefit knowledge directly to improve his business practice. “Not only are we an employee benefit adviser or consultant or research firm but I would also argue we’re tangentially in the health care arena because employers are looking for direction on how to keep their costs down and how to continue to provide value to their constituents, the employees and their dependents,” says Lind. “We need to understand what’s going on in the health care industry and how does that impact eventually what the employer has to pay and provide to their employees? The study is certainly one way for us to make better sense of what’s happening in the marketplace.” **EBA**