

October 10, 2024

HOW IS YOUR TPA SERVICE MODEL WORKING FOR YOU?

Are you satisfied with the service that your current Third Party Administrator (TPA) is providing? Do you realize that not all TPA service models are the same? If you are ready for a change in the satisfaction level of your TPA service, now is the time before the 2024 annual administration cycle begins.

What is a TPA?

Your TPA is responsible for plan design, documents, compliance, and government reporting. TPAs are important because we are the first line of defense against the Department of Labor and the IRS. By reviewing plans, running proposals with plan design alternatives, and working with the Financial Advisors and Accountants, we create plans that best fit the company.

Other TPA Service Models

- Large Sales Team With Inexperienced Administrators – This model will typically lead to overwhelmed administrators, that don't stay too long in their position. How many administrator changes have you experienced?
- Sales Consultant Vanishing Act – This model has clients and advisors building great relationships with the TPA Sales Consultant through the sales process, and then they pass the plan onto the administrator, and are then no longer involved in the client relationship until the next sales opportunity. The secret to TPA service is based on having a great relationship with the administrator and the sales consultant is secondary.
- Big TPA Assembly Line – The concept of this model is that every department is the expert in their assigned task area. For example, the departments could be sales, documents, testing and 5500 filing, trust & accounting and loans & distributions. In theory, this sounds like a reasonable model, but the client experience is frustrating when there is no single relationship accountable to accomplish the needed task in a timely manner. Additionally, a lot of times the point of contact is more of a receptionist than an actual administrator.

NH Hicks Service Model

- Coordinated Sales Effort – The sales consultant works closely with the administrator team throughout the sales cycle with the client.
- Ongoing Administration – The assigned administrator to the plan takes on the A-to-Z accountability of the day-to-day operations of the plan. Our administrators have over 250 years of combined experience and have been with us for years. Therefore, the client develops a close relationship with an experienced administrator with very little turnover. A TPA consultant is also assigned to the plan and is available to discuss plan design optimization as the demographics and needs of the company change.

Please contact me at cressa@nhhicks.com if you would like to learn more about NH Hicks and the services we provide. We are here to help you make the best decision for your company or client.

Marketing Team At Your Service

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