ThreeFlow

EBOOK

State of Benefits Placement 2026

Data-backed insights on $1.9B of placed business

LET'S TAKE A LOOK

Historically, benefits placement has been a learn-on-the-job kind of career. You came up watching how your boss handled renewals, built carrier relationships, found your own clients, and then figured out how best to serve them (sometimes the hard way).

When you wanted to know how your book of business stacked up against everyone else's, you'd just ask around. Maybe your former colleague would be willing to open up, or maybe you'd ask a few folks who you were enjoying lunch with at a conference how business was going for them, just for a quick temperature check.

But now, employers are coming to the table with higher expectations and regulations keep changing. And while your peers can commiserate with you about how demanding and complex benefits placement has gotten, it's hard to feel like you're getting an objective read on reality when you're comparing yourself to three to five close contacts.

How are other brokers across the country running their business? What pages can you take out of their books?

With $3.7 billion of premium flowing through our platform ($1.9B in 2025 alone), we're in a unique position to tell you. In this report, we map out how the average broker behaves, and what the ones consistently winning business are doing to:

- Save clients money
- Optimize plan design
- Reduce manual work
- Maintain relationships with carriers
- Keep their clients informed and satisfied

Keep reading to find out where your business stands and where the biggest opportunities lie—this year and beyond.

A note on methodology

Benefits placement has always been a high-stakes business. Yet most decisions, from which carriers to approach to how to structure an RFP to when to push back on a renewal quote (and how much), are made on gut instinct. While that gut instinct comes from years and years of experience, there hasn't been industry-wide data to pressure-test that against.

This report is our attempt to give brokers that frame of reference.

To get the most accurate read on broker behavior, we compiled and analyzed all of our RFP and renewal data from 2025. In total, 10,000 employers and 43,000 coverages transacted on ThreeFlow.

Roughly half were ***renewal-only transactions***

Meaning that the broker and the incumbent carrier worked together to renew the business.

The other half (4,000 employers, 26,897 coverages) were ***full RFPs***

Conducted by the broker on behalf of their clients.

And because we serve brokers of all firm sizes, from all US regions, placing various types of coverage, it's one of the most representative pictures of benefits placement available today.

Brokers are more disciplined than the industry gives them credit for

Despite technology making it easier than ever for brokers to go to market, they're not out there running RFPs just because they can. They do it when it makes sense—and they're deliberate about **who they bring to the table**.

> On average, brokers invite just **6 carriers per RFP,** including the incumbent carrier.

The median is even lower: 5 carriers. Larger groups (1,000+ lives), as you might expect, attract slightly more carriers (median here is 7). But overall, brokers stick to a small number of high-quality carriers.

Why not cast a larger net?

Because more carriers means more spreadsheeting, more back-and-forth, more questions from clients to answer. And our data suggests that that extra work isn't worth a broker's time and energy.

Reaching out to more carriers **only yields incremental savings.**

Brokers are also deliberate about listening to their clients' needs. Most brokers share how they think coverage will change before they kick off the RFP process, and more often than not, their instincts are right:

- When brokers self-reported that coverage is **"very likely to move,"** the client did end up changing carriers 49% of the time.
- When brokers self-reported that coverage is **"unlikely to move,"** coverage remained with the incumbent 75% of the time.

They've also been in the game long enough to know when running an RFP doesn't make sense at all. Just 1% of the time (47 out of 5,000 RFPs), brokers self-reported that coverage is "very unlikely to move" in an RFP. In these cases, going to market might only be necessary for company due diligence policies or compliance reasons—not to get a better price or plan.

Live Segment	Marketing Events	Avg Invited	Avg Primary Quotes	Avg Alt Quotes	Avg Declines	Avg No Response	Response Rate	Decline Rate	No Response Rate
50-99	23	6.6	1.3	2.0	3.3	2.0	19.7%	49.3%	30.9%
100-199	32	7.3	2.8	4.0	3.1	1.4	37.9%	42.7%	19.4%
200-499	56	7.5	3.3	5.4	3.0	1.1	44.5%	40.7%	14.8%
500-999	44	7.1	3.2	4.3	2.9	1.0	44.9%	40.4%	14.6%
1,000+	23	7.4	3.0	4.6	3.3	1.2	39.7%	44.2%	16.0%
All Segments	177	7.2	2.9	4.3	3.1	1.3	39.9%	42.5%	17.7%

Brokers also do their best to **plan ahead.**

In 2025, the median RFPs were issued 4 months prior to the effective date, leaving ample time to address any hiccups that might arise during implementation and enrollment.

121 days

Before the effective date for non-med RFPs

115 days

Before the effective date for stop loss RFPs

They give carriers a realistic window to respond, too: 2 to 3 weeks. Enough time to put together a well-thought-out quote, not so much time that deadlines slip.

14 days

To respond with non-medical quotes

20 days

To respond with stop loss quotes

TLDR

Brokers don't go to market just because. They do it because they are looking for the best possible outcomes (at the best possible price) for their clients.

When brokers do shop around, what happens?

Spoiler alert: not much.

> Across all renewal and RFP activity in ThreeFlow, coverages change carriers just **16.5% of the time.**

Only 20% of renewals collected on ThreeFlow even convert to a full RFP. The intention here seems to be a data-gathering exercise.

"Is my pulse on this line of coverage still correct? Are my carriers still competitive? I trust my carriers, but want to make sure that won't come back to bite me later."

Makes sense, given that brokers are trying to get clients the most bang for their buck, and move rates can differ enough by coverage type to make it worth checking. For example, network-based products tend to be stickier: dental and vision only moves 22% of the time when an RFP is conducted. As compared to:

Stop loss

which moves 26% of the time when an RFP is conducted

Life & DI coverage

which moves 30% of the time when an RFP is conducted

Worksite coverage

which moves 31% of the time when an RFP is conducted

Coverage	Completed Lines	Sold	Kept Incumbent	Carrier Change	Brand New	Closed Not Sold	% Change of Sold	% Kept of Sold	% Brand New of Sold (NPC)
Dental	1,791	1,435	920	481	34	356	**33.5%**	64.1%	2.4%
Vision	1,489	1,138	697	386	55	351	**33.9%**	61.2%	4.8%
Basic Life/ AD&D	1,743	1,449	784	590	75	294	**40.7%**	54.1%	5.2%
Short Term Disability	1,423	1,125	568	450	107	298	**40.0%**	50.5%	9.5%
Long Term Disability	1,572	1,270	661	512	97	301	**40.3%**	52.0%	7.60%
Voluntary Life/ AD&D	1,273	1,039	529	418	92	234	**40.2%**	50.9%	8.9%
Voluntary Life	283	220	131	82	7	63	**37.3%**	59.5%	3.2%
Accident	1,074	726	341	252	133	348	**34.7%**	47.0%	18.3%
Hospital Indemnity	796	446	147	143	156	350	**32.1%**	33.0%	35.0%
Critical Illness	1,036	684	320	229	135	352	**33.5%**	46.8%	19.7%
Stop Loss	156	102	65	32	5	54	**31.4%**	63.7%	4.9%
Total	12,635	9,634	5,163	3,575	896	3,001	**37.1%**	53.6%	9.3%

But even when brokers are more actively shopping around, the incumbent wins the business more often than not. Just over a quarter (27.5%) of coverages move as a result of a full RFP.

TLDR

Brokers shop the market to confirm what they already suspect. When an RFP is conducted, the client sticks with the incumbent 7 to 8 times out of 10.

Where new business comes from

For brokers who've been in the business a while, most of the work is renewal-based, optimizing what's already there. They nurture their carrier relationships to secure more competitive rates and better value, and tweak plan designs based on changes in clients' employee bases.

But with so many new emerging product lines—and so many new businesses—more employers are buying a line of coverage for the very first time. At ThreeFlow, we track when employers add something entirely new to their benefits portfolio at a "no prior coverage" (NPC) rate.

As you might expect, more mature lines, like dental, basic life, and vision, are almost never new.

Virtually every employer has them and only goes to market if they're concerned with price or their census data has meaningfully changed. Short and long-term disability follow a similar pattern, with NPC rates of 9% and 7%, respectively.

Worksite products, on the other hand, have a lot more whitespace:

Hospital indemnity has a 35% NPC

Meaning more than 1 in 3 placed coverages were from employers buying it for the first time last year.

Critical illness & accident

Are runners-up, with between 18 to 20% NPC.

BROKERS

Worth doing a deeper dive into these products if you're looking to expand your clients' benefits portfolio.

CARRIERS

If you've already sold worksite products, make sure you've got a competitive bid. Incumbents only retain 44% of worksite RFPs.

TLDR

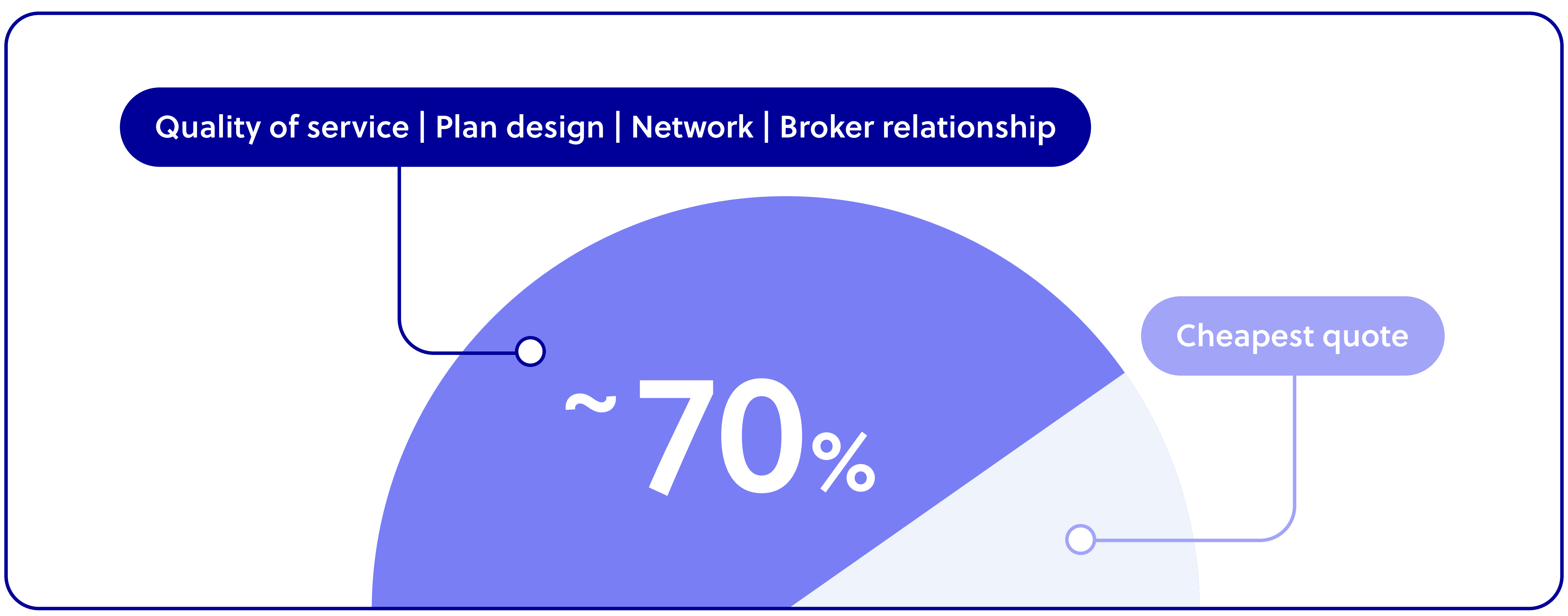
Most coverage placements are carrier swaps. Hospital indemnity, critical illness, and accident are where there's room to grow.

What wins bids (it may not be what you think)

It's easy to think that the cheapest quote wins. Not so. In fact, the cheapest carriers win just 31% of the time, per line of coverage.

Which means that almost 70% of the time, businesses change carriers due to:

QUALITY OF SERVICE | PLAN DESIGN | NETWORK | THE BROKER'S RELATIONSHIP



Brokers who've built strong carrier relationships also tend to get more out of the RFP process. Specifically, they're more comfortable asking carriers for options beyond the standard quote.

> Only 10% of brokers request plan alternatives on RFPs. The ones who did placed those alternatives **34–54% of the time,** depending on coverage type.

Knowing which carriers offer top-notch service, a reliable network, reasonable rates—and which ones are willing to go above and beyond to win business—is a competitive advantage. And it's what **ThreeFlow Insights** was built to provide.

Access carrier response rates, past adherence to RFP due dates, DTQ percentages, and new business premium to walk into partner negotiations with confidence. **Learn more here →**

> Skipping alternatives may feel like a time-saver, but could be costing carriers money.

TLDR

More often than not, it's something other than price that wins a client's business. Come to carrier conversations equipped with hard data, and don't skimp on plan alternatives.

Bundling is a strategic advantage

Just like in any other business, buying multiple benefits products from the same vendor tends to get you a better deal. Which is why, more often than not, multiple benefits products often fall to the same carrier.

- When **2 benefits** products are sold → they are sold by the same carrier **77.7%** of the time
- When **4 benefits** products are sold → they are sold by the same carrier **82.2%** of the time

This trend peaks at three-product bundles, largely because not every carrier offers a full suite of product lines. But there's a significant preference for keeping everything with one carrier:

> Even with **7+ products** on the table, 61.5% are sold by the same carrier.

# of Sold Products	Projects	All Same Carrier	Split	% All Same
1 Product	646	646	0	100.0%
2 Products	394	306	88	77.7%
3 Products	315	267	48	84.8%
4 Products	292	240	52	82.2%
5 Products	241	153	88	63.5%
6 Products	260	168	92	64.6%
7+ Products	473	291	182	61.5%

Some product lines are almost always bundled. When STD/LTD, basic life and voluntary life, and worksite products are marketed together, **99%+ are sold by the same carrier.**

Bundle Type	Event Type	Projects	All Same Carrier	2 Carriers	3+ Carriers	% All Same
Life/Dis + 1 worksite product	Marketing	43	40	3	0	93.0%
	Renewal	63	57	6	0	90.5%
	Combined	106	97	9	0	91.5%
Life/Dis + 2 worksite products	Marketing	215	188	25	2	87.4%
	Renewal	204	175	27	2	85.8%
	Combined	419	363	52	4	86.6%
Life/Dis + 3 worksite products	Marketing	259	222	35	2	85.7%
	Renewal	170	153	16	1	90.0%
	Combined	429	375	51	3	87.4%
All combinations combined	Combined	954	835	112	7	87.5%

Dental and vision are the exceptions. When combined with other product types, only about half are sold by the same carrier.

All this to say, if you're not already, start focusing on developing relationships with carriers who tend to bundle coverage. They can compete across multiple lines, offer more flexibility with their plan design, and put together a custom package that checks (almost) all of your clients' boxes.

TLDR

The more lines you bring to a carrier, the more leverage you have.

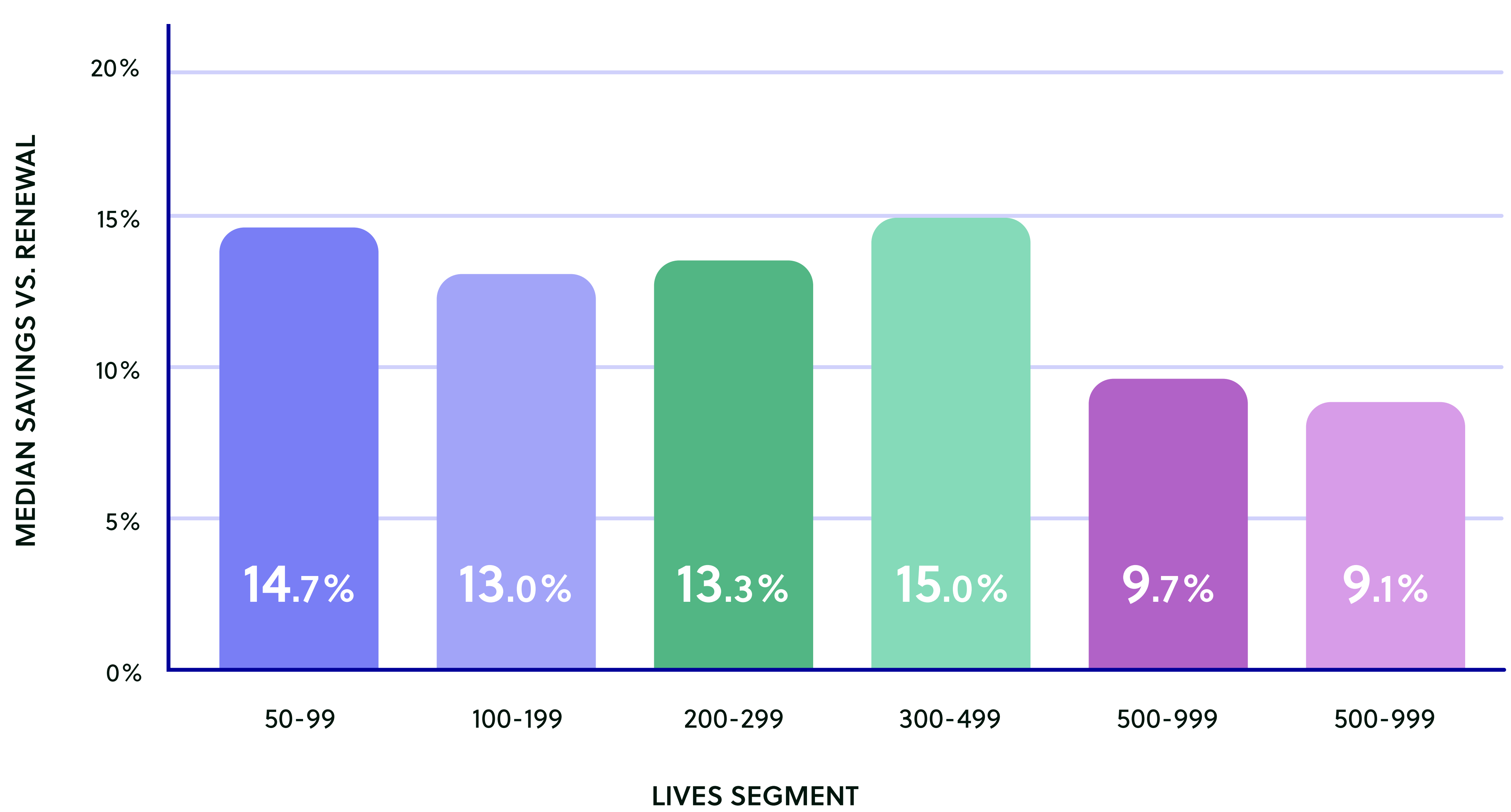
Savings when switching carriers

Moving coverage to a new carrier can generate substantial savings:

- The median savings **relative to current rates was 7.3%.**
- Relative to the renewal offer, brokers typically saved their clients somewhere **between 9–15%,** depending on group size.

Smaller groups tend to see larger savings, since they're priced based on a carrier's book-wide rates—which can vary widely from one carrier to another. A competitive bid can come in well below the renewal.

Larger groups, on the other hand, are priced based on historical claims, which carriers tend to interpret and price in similar ways. When quotes come back closer together, there's less room to beat the renewal.



It's worth shopping aggressively on price for...

Basic life/AD&D

which saw 21.2% median savings

Long term disability

which saw 20.2% median savings

Short term disability

which saw 14.3% median savings

Critical illness

which saw 13.5% median savings

You'll probably see more modest savings on...

Dental

11.3% median savings (-3% under current)

Vision

7.8% median savings (-5% under current)

Accident

7.8% median savings

For these lines of coverage, the case for switching will probably be based on something other than rate.

Stop loss

Median of 4.7% from the renewal (+5.4% over current rates)

Hospital indemnity

1.5% median savings

Voluntary life/AD&D and basic dependent life had 0% savings, but that's to be expected. New carriers typically maintain existing rates and payroll deductions to avoid disruption for employees.

TLDR

Naturally, trended lines of coverage like dental, vision, and stop loss tend to experience less savings relative to the current rates, as decisions are anchored to the renewal offer.

Benefits aren't placed by hand anymore

Even a year ago, a good chunk of benefits placement still happened manually. In 2024, 62.6% of submissions used ThreeFlow's **smart proposal** and smart renewal features or **purpose-built API**.

Submission method	Created in 2024	%	Created in 2025	%
Smart Proposal (DIVE)	24,527	61.36%	85,868	93.39%
Smart Renewal (DIVE)	142	0.36%	118	0.13%
Connected Carrier (API)	342	0.86%	1,122	1.26%
Rate Guarantee	396	0.99%	1	0.00%
Upload Renewal	327	0.82%	4	0.00%
No Channel Logged	12,509	31.29%	1,973	2.21%
Other	1,729	4.33%	0	0.00%
Combined Smart Proposal + Smart Renewal + API	25,011	62.58%	87,108	97.78%
Total First Submissions	39,972	100%	89,086	100%

> Last year, that number jumped to 97.8%, a **44% increase.**

Much of that efficiency gain came from AI adoption. Instead of rekeying values from PDFs or long email chains, carriers can now upload existing proposal documents or renewal letters to ThreeFlow and receive an **AI-populated quote** in minutes.

Carriers get accurate quotes to brokers quickly.

Brokers **view & compare quotes** in ThreeFlow right then and there.

Clients get coverage placed sooner.

TLDR

Smart submissions are the norm. Firms using **ThreeFlow's AI capabilities** save more than 7 hours per RFP and free up nearly half their workday.

Benefit maximums are increasing

Even for small and mid-sized groups. This past year, the median dental max for 50–199 lives went from $1,250 to $1,500, catching up with larger groups (200+ lives) for the first time.

Mid-large and large groups (200–499 and 1,000+) pushed the 75th percentile from $1,500 to $1,750.

> The most generous dental plans are stretching **past the $1,500 ceiling.**

We'll have to wait until next year to see if plans climb even higher or if 2025 was just a one-time catch-up. Still, it's clear plan design expectations are moving upmarket, even beyond dental:

Move rate on worksite RFPs was a whopping
56% change

Life & disability saw a
45% change

Dental & vision saw a
35% change

In practical terms, this means any benchmarks you're using are likely out of date. If you're not level-setting with your clients far ahead of RFPs or renewals, you're going to be in for some tough conversations later.

TLDR

The most generous plans are getting more generous. Brokers who aren't benchmarking against current data are recommending plans that their clients' competitors offered last year.

5 things we know about benefits placement in 2026

1. Brokers don't RFP frivolously. They go to market to right-size the competition.

They only invite 6 carriers to participate in an RFP.

Just 20% of renewals ever convert to RFPs.

Brokers' intuition tracks with reality. When they think coverage will change, it usually does; when they think it won't, it usually doesn't.

2. Price matters, but it's not the deciding factor 70% of the time.

Quality of service, contract terms, and great networks influence carrier decisions.

Strong carrier-broker relationships enable plan alternatives, which get placed more than a third of the time.

3. Bundling is the way to go.

When two to four benefits products are sold together, 77%+ go to the same carrier.

Bundling is particularly advantageous for STD/LTD, life, and worksite products. 99%+ are sold by the same carrier.

To get the best deals, concentrate on carriers that can offer multiple product lines.

4. Worksite = whitespace.

Hospital indemnity, critical illness, and accident have the biggest potential in terms of net-new coverage and competitive savings.

If you're filling out a client's portfolio, start here.

5. Digital placement isn't a nice-to-have.

We saw a 35% increase in smart submissions in the last year alone.

Thanks to AI, the hours brokers spent extracting carrier data, formatting proposals, and building coverages are being redirected to strategic conversations with clients and carriers. Brokers cited saving up to 10 hours per RFP with ThreeFlow.

Brokers pulling ahead are viewing the data they collect (and their ability to analyze it in real time) as their core competitive advantage.

ThreeFlow automates the most time-consuming parts of placement—think: proposal building, coverage configuration, carrier data extraction—so brokers can focus on the work that they do best.

Request a demo to see it in action

ThreeFlow