



Why Rural Employers Struggle to Offer Competitive Benefits and How Brokers Can Help

Rural employers face real obstacles when it comes to employee benefits. Health insurance costs more. Provider networks are smaller. Plans often lack flexibility. It's a tough environment for attracting and keeping good employees.

Even so, there are solutions. Brokers who know how rural markets work can help their clients shape benefit strategies that make more sense and hold up over time.

THE CHALLENGES RURAL EMPLOYERS FACE

Healthcare is more expensive in rural areas. That's not an assumption; it's backed by data and experience. A recent study by the National Rural Health Association found that rural residents pay nearly 10% more for healthcare services compared to their urban counterparts, largely due to limited provider access and reduced competition.¹ Limited provider access drives up costs and narrows choices. Many rural employers only have one or two carriers willing to offer group coverage, keeping premiums high.

Plan design is another pain point. Many employers are stuck with default options that don't reflect their team's needs. High deductibles and rigid structures frustrate employees and leave employers feeling like they have no say in the benefits they offer.

All of this makes it harder to attract and retain workers. Rural businesses want to offer good benefits. They just don't see a clear path to do it.

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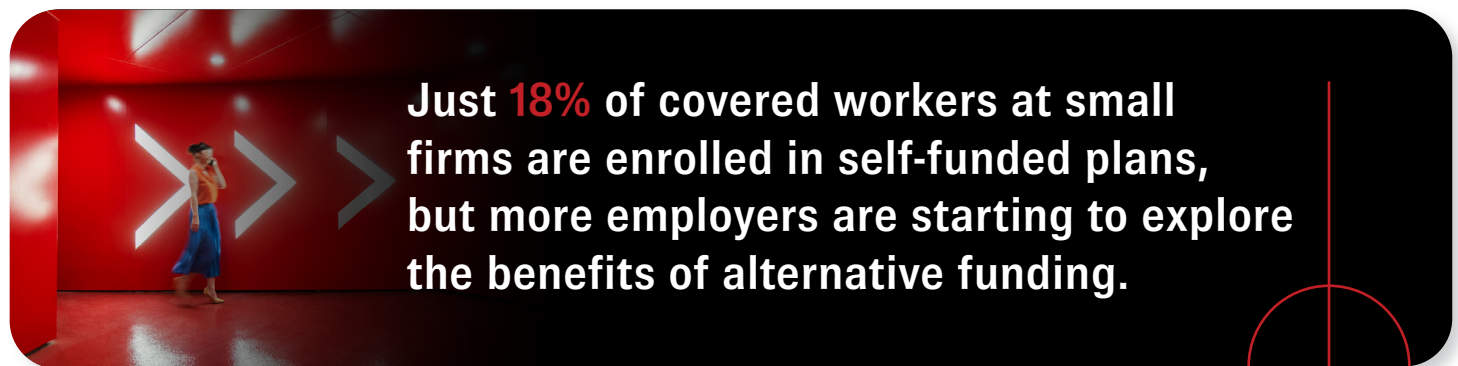


WHERE BROKERS ADD REAL VALUE

Brokers working in rural markets can help clients reset how they think about benefits. It starts with shifting away from chasing lower premiums year after year. The focus needs to be on designing plans that work in the long run.

Many employers don't know what other options exist. Some have never heard of self-funded or level-funded plans. Others assume those models are only for large corporations. Brokers can help them think differently and show what's possible, especially when it comes to rethinking how coverage is structured.

In fact, according to the 2023 KFF Employer Health Benefits Survey, 18% of covered workers at small firms are enrolled in self-funded health plans.² This indicates a growing trend among small employers to explore alternative funding options that offer more control and potential cost savings.

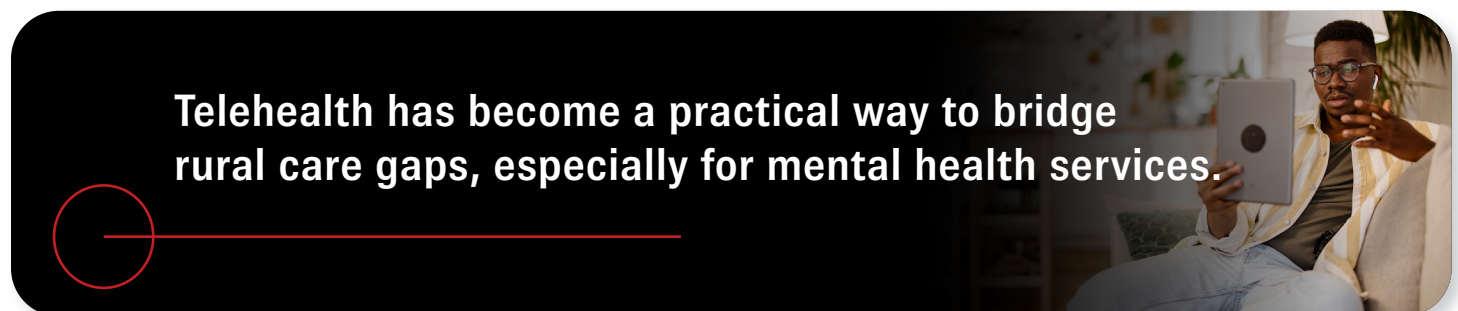


LOOK BEYOND FULLY INSURED PLANS

Fully insured coverage tends to be more expensive and less flexible. For some rural employers, alternative funding can make more sense. Self-funded and level-funded plans both give employers more control over costs and plan design.

Self-funding allows employers to pay for actual claims rather than projections. If claims come in low, they keep the savings. Stop-loss coverage protects them from unexpected spikes. The model offers more transparency and a clearer connection between healthcare use and cost. Employers gain access to detailed claims information, allowing them to make data-driven decisions with the help of their broker.

This approach isn't for every employer. But many rural businesses are better candidates than they realize. The key is working with the right partners: a strong third-party administrator, a reliable stop-loss carrier, and a broker who understands how to structure the plan.



EXPAND ACCESS WITH CREATIVE STRATEGIES

Access to care is a constant challenge in rural areas. Brokers can help employers get creative about expanding options.

That might mean working with a TPA that offers broader network choices or negotiating direct contracts with local providers. Telehealth has also become a reliable way to fill care gaps, especially for mental health.

For some clients, reference-based pricing or narrow network plans can be a fit. These models require upfront communication, but they offer strong cost savings and better alignment between provider cost and plan value.

SUPPORT THAT GOES BEYOND THE SALE

Rural employers often work without dedicated HR teams, which makes benefit management harder. That's why the support brokers bring to the table matters just as much as the plan itself.

Connecting clients to tools like pharmacy benefit managers, compliance support, wellness programs, and population health resources can ease the load and help control costs. These solutions also improve how employees experience their benefits.

Alternative plans come with different compliance responsibilities. Brokers can support employers in understanding and fulfilling these obligations, reducing legal and financial risk.

Strong strategies don't run on autopilot. Reviewing performance and spotting ways to improve keeps the plan working as intended, year after year.



Many rural employers don't have dedicated HR teams, so the broker's support with compliance and day-to-day benefit management becomes even more valuable.

MAKE COMMUNICATION A PRIORITY

Good plan design falls flat if employees don't understand it. That's especially true for plans with unfamiliar elements like direct primary care or self-funding.

Brokers can help bridge the gap with simple, clear communication. That might mean tailored enrollment guides, on-site or virtual info sessions, and regular updates throughout the year.

When employees understand how their benefits work, they're more likely to use them well. That improves outcomes and builds loyalty.


WHAT COMES NEXT

Rural employers are under pressure to offer benefits that attract and retain talent, but the tools they've used in the past aren't working. They need new options and better support.

This is where brokers come in. The right broker can help a rural employer see past limited options and find a strategy that fits. That might mean exploring new ways to fund coverage or finding smarter ways to expand access to care. It always means focusing on what matters most: keeping costs manageable without giving up on quality.

Rural employers don't want cookie-cutter plans. They want solutions that reflect the way they do business. Brokers who take the time to understand those needs can help clients build benefit strategies that are realistic, sustainable, and competitive.

This is a moment of opportunity. Employers are ready for something better. It's the brokers who roll up their sleeves, learn what matters locally, and offer practical support that rural employers trust the most.



Rural businesses want benefit plans that reflect how they operate and support the people they employ

BOTTOM LINE

Rural employers are looking for answers, not more complexity. They need benefits that control cost, expand access, and actually fit the way they operate. Brokers who can deliver that bring real value, especially in markets where options feel limited.

CRC Benefits gives you the tools to lead. Our broad product portfolio, national carrier network, and experienced quoting teams are built to support brokers in every market, including rural. Whether you're building a new strategy from scratch or helping a client rethink their current plan, we're here to back you with the resources and expertise you need to win.

CONTRIBUTORS

- **Nico Flores** is a Benefits Sales Executive for CRC Benefits in Ohio.

END NOTES

1. NRHA (2025) About Rural Healthcare" <https://www.ruralhealth.us/about-us/about-rural-health-care/>
2. KFF (2023) Employer Health Benefits: Summary of Findings <https://www.kff.org/report-section/ehbs-2023-summary-of-findings/>