



**SUNSTONE
MANAGEMENT
ADVISORS**

The Helm:
February 2026

GUIDING HEALTHCARE LEADERS THROUGH STORMY MARKETS AND CHANGING TIDES

Welcome to the 4th edition of The Helm, Sunstone's executive briefing for Healthcare and Insurance leaders navigating growth, transformation, and scale. Each month, our Operating Partners share real-world insights from complex engagements to help leadership teams see beyond the horizon and build the capabilities required to turn opportunity into sustained results.

Like the ancient Vikings who used the Sunstone to find their path, we are ready to help you plot your direction, and chart a course for a successful journey.

Please let us know if you have any recommendations for topics/content for future editions of The Helm, or ways we can make it more valuable to you.



Mike Murphy

Founder and Managing Partner



Joe Rolewicz

Founder and Managing Director

Headwinds & Currents

When growth outpaces operating controls, risk compounds quietly – and fast

- Severe consequences await rapid growth without a disciplined and scalable operating model
- Claims delays and compliance gaps often signal deeper structural issues – not just capacity constraints
- Underwriting is more than actuarial assumptions carried over from similar products. Insights on how members buy and utilize can be unique.
- Without rigorous and efficient oversight into who is buying, who is selling, and how, there can be a significant compliance risk

SMA Client Voyage

The Client's Storm

A national Accident and Health carrier with high growth in a complex regulatory environment was struggling:

- Explosive growth had overwhelmed claims and service operations:
 - › Claims turnaround times approaching 60 days+
 - › Member service abandonment rates in excess of 30%
- No visibility into who was selling the product or how it was being marketed
- Weak compliance controls triggered multiple state DOI investigations and fines
- Pricing, product design, and financial challenges were masked by slow claims processing

Viewing Through the Sunstone



- **Our Perspective – Diagnose before you scale.** Assuming your “dare to dream” growth:
 - › Can your operations keep up without significant growth in staffing?
 - › What level of insights do you have into your customer base and distribution?
 - › Is your data warehouse capable of providing real-time insights and accurate forecasting?

Signals



\$17M+
Improvement in
gross margins



30%
Reduction in MLR



60 → 10
Avg claims TAT
(days)

Stability restored. Growth re-enabled. Risk brought back under control.

Compass Points



- Created new workflows to draw down inventories
- Built infrastructure to load balance and instantly prevent service backlogs
- Introduced a rigorous oversight structure for all vendor partners
- Installed customized CRM featuring detailed customer and agent insights for all sales and real-time connectivity to state licensing data

- Developed a detailed data warehouse and analytic capabilities to make modest product changes with outsized financial impact

Set Your Heading



- Build scalable and efficient systems required for your unique needs and discipline (pricing, operations, distribution, etc.)
- When outsourcing, ensure oversight mimics management information as if the function remained in-house
- Be suspicious of your success – sudden growth can be an indicator of underpricing
- Real-time data, reporting, and analysis are critical – growth in the absence of discipline will hide pricing shortfalls

Book a Complimentary Voyage Briefing

Click to
Book a Call

If our perspectives on growth, transformation, and value creation resonate with you, let's schedule a brief introductory call. We'll listen, learn, and explore how our paths might align—no obligations, just dialogue.

Are You Ready to Be Extraordinary... To Go Beyond...?

www.sunstonemanagementadvisors.com