

MetLife: Reaching the Sponsor, the Adviser, and the Employee

Internal ID: S&F-STR-380

Topic: Growth Strategy, Customer Strategy, Risk Management

Industry: Life & Health Insurance

Source: Strategy & Finance

Publication date: 5 October 2026

License: Not specified

Classroom case | Strategy, employee benefits, and distribution

Information cutoff: October 4, 2026, 11:59 p.m. Eastern Time

This case frames a hypothetical FY2027 planning decision from public information. It does not describe an actual internal assignment, budget, pilot, or company decision.

The decision

MetLife's New Frontier strategy names Group Benefits as a growth priority. In its 2025 Form 10-K, the company said employers have been emphasizing voluntary products and that it had increased communication and marketing to employees to foster sales. Group Benefits also relies on employer relationships, account executives, brokers and consultants, third-party distributors, associations, affinity groups, and some government programs.

As a hypothetical leadership team plans FY2027, where should it place its next cycle of product and distribution effort?

- Should it concentrate on employer and broker relationships, benefit design, renewals, and broader product placement?
- Should it increase employee-facing education and enrollment support for voluntary coverages?
- Or should it coordinate both approaches in selected employer cohorts and scale only after results show what works?

The paths are not mutually exclusive. Employers sponsor benefit offerings, brokers and consultants may advise them, and employees may make elections during enrollment. The team must decide how to coordinate those roles, which products and cohorts to prioritize, and what evidence would justify expansion. No public FY2027 budget, assigned initiative, or enrollment data is available to the team.

What Group Benefits includes

Group Benefits is MetLife's U.S.-based insurance and related-services segment. Its offerings include life, dental, disability, paid family and medical leave, accidental death and dismemberment, accident and health, vision, prepaid legal, pet insurance, and some administrative-services-only arrangements. The company says its employee sales force is organized by target-customer size. Account executives sell directly to employers and other group customers or through brokers and consultants. MetLife also uses third-party distribution, sponsoring associations, affinity groups, and certain U.S. government employee programs.

The sponsor, adviser, and covered employee do not necessarily make the same decision. An employer may select which coverages to offer; a broker may advise on benefit design; an employee may choose whether to elect a voluntary product. Public disclosures do not say how these roles combine for each employer or product, nor do they report channel-by-channel covered lives, eligible lives, enrollment, attach rates, persistence, commissions, or margin.

A recent reporting change

MetLife reorganized its segment reporting in the fourth quarter of 2025. The company now reports six segments: Group Benefits; Retirement and Income Solutions (RIS); Asia; Latin America; Europe, the Middle East and Africa (EMEA); and MetLife Investment Management (MIM). It also reports Corporate & Other.

MIM, previously reported in Corporate & Other, became a reportable segment. MetLife Holdings ceased to be a reportable segment and is now primarily reported in Corporate & Other. Certain products formerly in Holdings moved to Group Benefits and RIS for 2025 only. The segment presentation was retrospectively adjusted as described in the filings, but the product transfers do not imply that those products moved in every historical year.

This case focuses on U.S. Group Benefits. RIS includes retirement and institutional solutions such as pension risk transfers; MIM is institutional asset management; Asia, Latin America, and EMEA are international insurance segments. Their reported results are not measures of employee voluntary-benefit adoption in the United States.

What the latest quarter shows-and what it does not

MetLife reported second-quarter 2026 results on August 5. Consolidated GAAP net income available to common shareholders was \$705 million. Adjusted earnings available to common shareholders were \$1.573 billion. The company reported Group Benefits adjusted earnings of \$503 million, compared with \$401 million a year earlier, up 25%. Adjusted premiums, fees, and other revenues (PFOs) were \$6.512 billion versus \$6.446 billion, up 1%. Adjusted PFOs excluding participating contracts were \$5.054 billion versus \$4.875 billion, up 4%.

Management attributed Group Benefits adjusted earnings growth to favorable underwriting and volume growth. It attributed growth in adjusted PFOs excluding participating contracts to National Accounts and Regional Business. These are company explanations of aggregate segment outcomes. The measures do not report employee enrollment, voluntary participation, benefit comprehension, customer satisfaction, or channel return.

The release said Group Benefits sales were up 9% year-to-date. Its printed page 14 defines sales as 10% of single-premium deposits plus 100% of annualized full-year premiums and fees from recurring-premium policy sales of all products. This is a premium-based sales measure. It is not the number of employees eligible for benefits, the number who enrolled, the participation rate, or an attach rate for voluntary coverage.

The earnings measures also have different scopes. GAAP net income is not adjusted earnings; consolidated adjusted earnings are not Group Benefits adjusted earnings. Adjusted earnings and adjusted PFOs are company-defined non-GAAP measures. Q2 is a three-month period; first-half figures combine Q1 and Q2. None of these measures identifies whether employee communication or a particular distribution channel caused a change.

A five-year strategy and open questions

New Frontier is MetLife's five-year strategy for 2025-2029. One stated Group Benefits ambition is to reach more employers, offer more products per employee, and increase employee participation. The 10-K says employer interest in voluntary products led MetLife to increase communication and marketing to employees to foster sales. The public filing does not identify employer cohorts, the message or channel used, employee reach, comprehension, or the enrollment effect.

Several explanations could be consistent with stronger adjusted earnings: favorable underwriting, more business volume, employer adoption, product mix, price, claims experience, utilization, expense changes, or seasonal effects. MetLife notes that Group Benefits results vary with mortality and morbidity experience and utilization in non-medical health products. Annual renewal, enrollment, and marketing costs normally rise in Q4. A single quarter cannot isolate the effect of distribution or communication.

Three possible approaches

1. **Employer- and intermediary-led.** Emphasize employer account growth, renewal support, benefit design, and broker/consultant relationships. Employees may still receive education and enrollment support, but the employer and adviser remain the primary planning focus.
2. **Employee-facing voluntary-benefit engagement.** Invest more in communication, education, and assistance that help employees understand and consider voluntary coverage during employer enrollment windows. Coordinate with sponsors and advisers; do not assume direct communication replaces them.
3. **Cohort-based coordinated tests.** Pair employer/broker planning with employee-facing communication in selected settings. Define products, eligibility, exposure, comparison groups, and review periods in advance. Expand only if results support the approach.

Each approach has questions. Employer-led effort may deepen account relationships but may not resolve employee understanding or participation. Employee-facing communication may reduce friction but could be ineffective when product value, affordability, eligibility, or claims experience is the main barrier. Coordinated tests may generate useful evidence but require clean comparisons across employers, products, enrollment windows, and workforce mix.

What would the team need to measure?

Public disclosures do not provide the data needed to evaluate these approaches. A team could request or propose measures such as:

- eligible employees and communication reach by employer and product;
- enrollment completion, participation, voluntary attach, and persistence at renewal;
- employee understanding, coverage fit, questions and escalation, complaints, and satisfaction;
- employer and broker experience, account retention, renewal outcomes, and participation in benefit design;
- product mix, employee/employer contributions, benefit richness, and enrollment-window timing;
- claims and service experience; and

- acquisition, commission, communication, service, and product economics by channel.

These are proposed data requests, not reported MetLife results. Increased premium-based sales or segment adjusted earnings would not substitute for employee enrollment, comprehension, coverage fit, persistence, or customer outcomes.

Assignment

Prepare a recommendation for the hypothetical FY2027 leadership team. Explain:

- which path or combination to prioritize within Group Benefits;
- how employer sponsors, brokers/consultants, and employees should participate;
- which products or employer cohorts should be included in an initial test;
- how success should be measured separately for sales, enrollment, participation, persistence, customer experience, and business value; and
- what evidence would cause the team to expand, revise, or stop an approach.

State assumptions. Preserve the Q2 2026 cutoff and reporting boundaries. Do not invent enrollment results, budgets, pilots, channel economics, or a preferred company decision. No post-cutoff results may be used. Financial modeling and Excel are out of scope.

Selected sources

- [MetLife Q2 2026 Form 10-Q](#)
- [MetLife FY2025 Form 10-K](#)
- [MetLife Q2 2026 earnings release and tables](#)
- [MetLife Q2 2026 financial supplement](#)
- Research detail: integrated literature review