

"Canada Post's U.S. Direct Entry service gives us a distinct advantage over the competition."

Howard Cracower, CEO, MedNet Benefits



Canada Post's U.S. Direct Entry Service Fuels Growth of Canadian Business

MedNet Benefits takes advantage of turnkey U.S. delivery service

Headquartered in Toronto, MedNet Benefits is a discount medical provider (DMP). Unique to the U.S. market, DMPs provide wholesale medical services by negotiating service contracts with individual physicians and other health-care professionals, and then selling access to medical services to clients such as group insurers, associations and individual companies. To access services, consumers subscribe to a policy or benefit plan offered by a client of MedNet Benefits.

MedNet Benefits provides a turnkey service to its clients: it secures agreements with service providers, mails information to plan members and maintains a toll-free service hotline. The arrangement benefits all parties: patients can readily access the medical care they need, service providers receive payments promptly and have little paperwork to complete, and insurers, associations and businesses pay wholesale prices for services rendered. The model has been so successful that MedNet Benefits now offers plans for dozens of other services, such as financial and legal counseling.

AT A GLANCE

COMPANY

MedNet Benefits, Inc., a Canadian provider of discount health services to Americans

CHALLENGE

Eliminate confusion among U.S. consumers who receive mail from Canadian company.

SOLUTION

U.S. Direct Entry Letter-post service from Canada Post

BENEFITS

Cost-effective, secure and convenient, U.S. Direct Entry Letter-post:

- Can help increase read and response rates
- Requires no minimum volumes, either annually or per mailing
- Features fast, dependable delivery and on-demand pick-up
- Relies on the business-communications medium preferred by most consumers
- Offers a turnkey solution from an established supplier

Ability to connect with consumers key to MedNet Benefits' success

According to CEO Howard Cracower, MedNet Benefits' success results from its ability to connect with U.S. customers — no easy feat for a Canadian company. "When it comes to medical insurance, Americans prefer to deal with U.S. firms," Cracower says. "And while we don't deal directly with consumers, part of our service involves sending booklets and other paperwork to them on behalf of our clients."

When the Canadian company began to operate in the United States, it used International Letter-post — the standard Canada Post service — and a Canadian return address. According to Cracower, this was not an optimal approach.

"Many people found this confusing," he says, "because they had signed on with an American insurer or association, yet the information they received came from Canada. Our customers — insurers, associations and private companies — recognize that confusion is bad for business. So we turned to Canada Post to help solve the problem."



U.S. Direct Entry eliminates potential confusion

The solution involves a Canada Post service known as U.S. Direct Entry Letter-post. The service enables Canadian businesses to send mail that carries American postage and features a return address in the United States. MedNet Benefits began to use U.S. Direct Entry in 2006 and the difference was immediately apparent.

"Our customers were happier because their customers were happier — the cause of the confusion was gone," says Cracower. "And the best way a company can build its business is to make its customers happy."

"U.S. Direct Entry more than pays for itself and has become a central component of our business model."

Howard Cracower, CEO, MedNet Benefits

U.S. Direct Entry helps drive MedNet Benefits' growth

Studies have shown that Americans are more likely to read and respond to direct mail that features American postage and a U.S. return address. In fact, two-thirds of Americans surveyed are more inclined to open promotional mail that appears to originate in the U.S. Given this finding, it's no surprise that MedNet Benefits' business has grown significantly since the company began to use U.S. Direct Entry. The company now provides services to more than one million Americans and Cracower expects its use of U.S. Direct Entry will soon reach 100,000 pieces per month.

"All of our U.S. mailings are fulfillment packages — cards and guides that enable users to access discounted services," says Cracower. "Being something of a turnkey operation ourselves, we particularly like the way that Canada Post handles all of the details."

U.S. Direct Entry is a remarkably flexible and convenient service. Unlike other U.S. mailing services, there are no minimum volumes and no need to pre-sort. Cracower attributes MedNet Benefits' steady growth with these policies and with the advantages accessible through U.S. Direct Entry.

"I continue to be impressed with the speed of the service," he says. "In many instances, we can call for a pick up and see our mail delivered to American addresses within a few business days. That makes us look good and our customers look good."

Other advantages include the reliability of Canada Post's services — the company regularly records strong results for delivery timeliness and accuracy — and the fact that U.S. Direct Entry is competitively priced. What's more, customers can choose from two levels of service: U.S. First-Class Direct, which is ideal for confidential and time-sensitive business correspondences and U.S. Standard Direct, the preferred choice for publications, newsletters and promotional literature.

U.S. Direct Entry's positive impact on the bottom line

"U.S. Direct Entry continues to generate a healthy return on investment for us," says Cracower. "The service more than pays for itself and has become a central component of our business model."

Cracower believes that U.S. Direct Entry is destined to grow in popularity. "U.S. Direct Entry really opens up the American market to Canadian companies," says Cracower. "It's a relatively inexpensive, easy and direct way to expand into the U.S. and compete successfully against American firms."