

BENEFITS TECHNOLOGIES

Retail Case Study

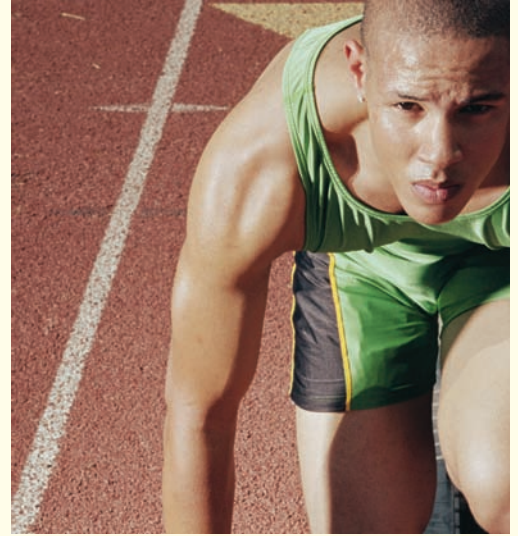
Number of Employees: 2,800

Locations: 876 in 48 states

Scope of Project: Benefits Communication, Education and Enrollment Services, Benefit Change Management, Benefit Driving, Electronic Enrollment

Overview

A major athletic clothing retailer found it necessary to change medical plan providers for the 2009 plan year. They were unsure how to implement an open enrollment without it costing a significant amount of time and money, and they had a limited budget for enrollment and communication services. Their employee demographic consisted primarily of a youthful generation not accustomed to an open enrollment process. This employer reached out to their broker partner in search of a cost effective solution that could successfully enroll their numerous employees despite their geographical challenges. Benefits Technologies was contracted to assist with the open enrollment and effectively and efficiently overcame the significant challenges which are highlighted in this case study.



EVERY ENROLLMENT IS CUSTOMIZED
TO AN EMPLOYER'S SPECIFIC NEEDS

HR Goals and Objectives

- Conduct cost conscious open enrollment
- Transition to new health insurance carrier for 2009 plan year without using existing plan data
- Enhance communication regarding all benefits offered and better promote benefits package
- Drive proper participation in health plans (High – Medium – Low)
- Update and clean existing employee data

Challenges

- The employer had not held an open enrollment for over 5 years and employees were unfamiliar with the process for making decisions regarding their benefits.
- Employees were familiar only with paper enrollment methods as opposed to utilizing an enrollment service center or web approach
- The employer was hesitant to use benefit enrollment specialists to incorporate voluntary benefits due to the fear of hard selling the voluntary benefits to the employees.
- The group did not want to transition over any existing data to new health insurance carrier
- Large volume of employees in many locations and states
- Limited HR budget for any kind of enrollment and communication services
- Costs had been driven up during the 2008 plan year because over 82% of employees were enrolled in the high medical plan. With the group having a younger population HR felt that with proper education employees would move to the mid to low plans
- If employees didn't make an active election they would not carry over benefits into 2009. Since the employer had not conducted an open enrollment for such a long period of time, HR feared that many employees would be hesitant to participate because they were unfamiliar with the process, and would thus lose their benefits.



Solution

- **Benefit Communication:** Benefits Technologies created customized benefit communications for all employees. Communications included:
 - 22 page benefit guide
 - announcement letters
 - voice broadcasts
 - email blasts
 - outbound calls to every employee from the Benefits Technologies' enrollment service center
- **Benefit Driving:** Our enrollment specialists educated employees on the three different medical options helping employees make an educated decision, resulting in significant changes in plan participation (More details under Results).
- **Enrollment:** Successfully enrolled employees electronically in their new health plans via the enrollment service center. Benefits Technologies accepted inbound calls and made out-bound calls to every employee to make sure they were educated and enrolled.
- **Voluntary Benefits:** Incorporated voluntary benefit plans to provide added value to the overall benefits package and to offset the costs of the enrollment services. Benefits incorporated included Universal Life with Long Term Care, Accident, and Critical Illness.
- **Data Management:** Collected updated employee information and enrollment elections. Electronically delivered to all constituents (HRIS, Payroll, and insurance carriers) in their required file layouts.

Results

- Benefits Technologies successfully enrolled employees in medical, dental, vision and life insurance offerings via the enrollment service center. On average the Benefits Technologies enrollment service center received 187 incoming calls daily (some days as many as 470) and performed 150 outbound calls daily (helping promote the benefits offered).
- Benefits Technologies tracked all employees and continually made outbound calls to those employees not enrolled ensuring they would carry over benefits to the new vendors.
- Half of all employees who were enrolled in the high medical plan chose to move to one of the lower medical plans, creating a tremendous premium savings for the group and its employees.
- 67% of employees purchased a voluntary benefit. The incorporation of Critical Illness and Accident helped drive participation to the medical plans with higher deductibles and out of pocket maximums.
- Elections and employee information successfully integrated into HRIS, Payroll, and Vendor systems
- Revenues from voluntary benefits offset 100% of fee's associated with services.

Before

- Ineffective benefit communications sent to employees
- Utilization of Paper Applications resulted in time consuming manual entry for HR department
- Very high participation in most expensive medical plan driving up costs for employer and employee
- No voluntary benefits to round out benefits package

After

- More balanced participation achieved in higher deductible medical plans creating a significant savings for the employer and employees
- Elimination of paper and time consuming data entry
- Customized and streamlined communications
- Large participation in voluntary benefit programs