



# 10 Things You Should Know

*Before Selecting Your Benefits Technology Partner*

May 25, 2017



# Will the webinar be recorded?

**Yes!**

We will send you a link to the recording after the webinar.



**Will the slides be available?**

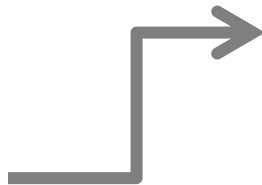
**Yes!**

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# How do you ask questions?

Type your question into the  
"Questions" panel



The screenshot shows the GoToWebinar Control Panel with the following sections:

- Screen Sharing**
- Dashboard**
- Attendees: 1 out of 1001**
- Audio**
  - Use:** ☒ Telephone, ☐ Mic & Speakers
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- Talking:**
  - Webcam**
  - Questions** (selected)
    - ☐ Show Answered Questions
    - Table with 2 columns: Question, Asker
    - Input field for question
    - Input field for answer (labeled "Type answer here")
    - Buttons: Send Privately, Send To All
  - Polls**
  - Chat**
- Test - Witnessing History**  
Webinar ID# 154-586-243
- GoToWebinar**

# Today's Speakers



**Scott** Milson

*Managing Principal*  
MillsonJames, LLC



**Nancy** Sansom

*Chief Marketing Officer*  
PlanSource



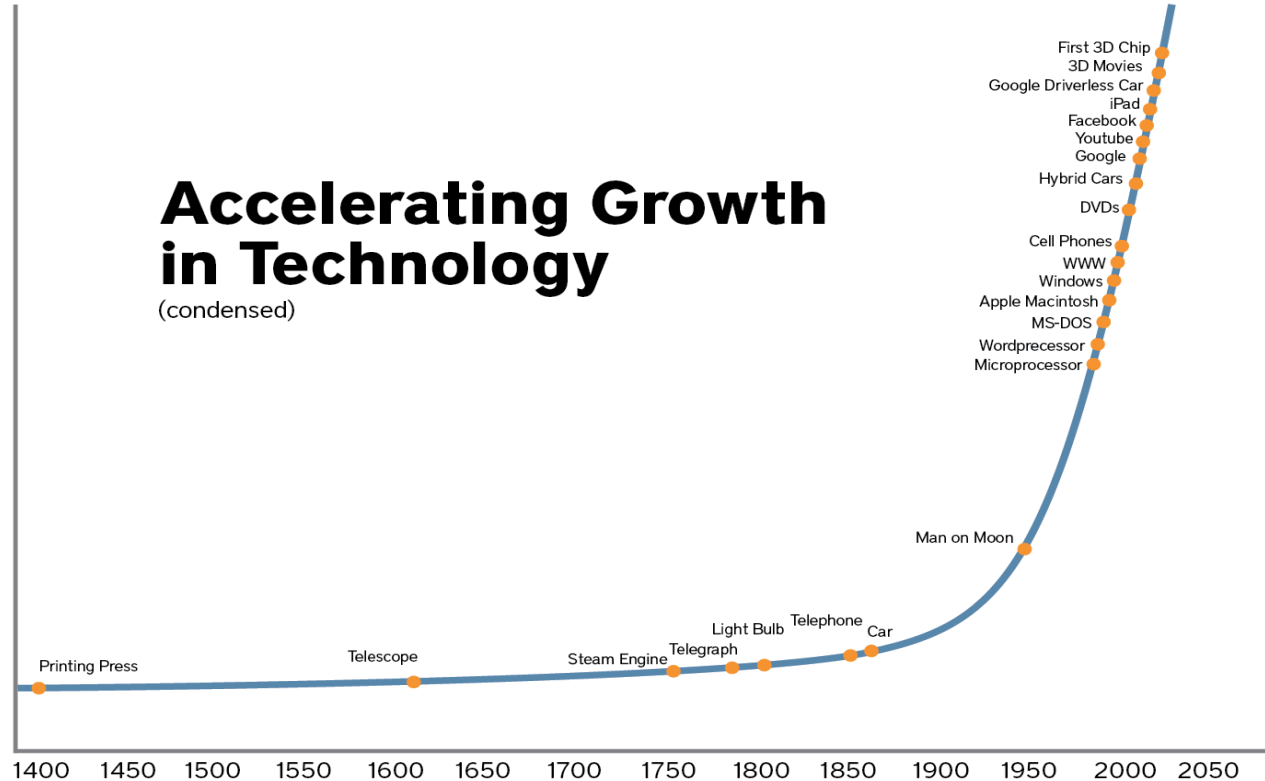
# Agenda

## Introduction

10 Things You Should Know

Q&A

# The Pace of Technology



# Millennials



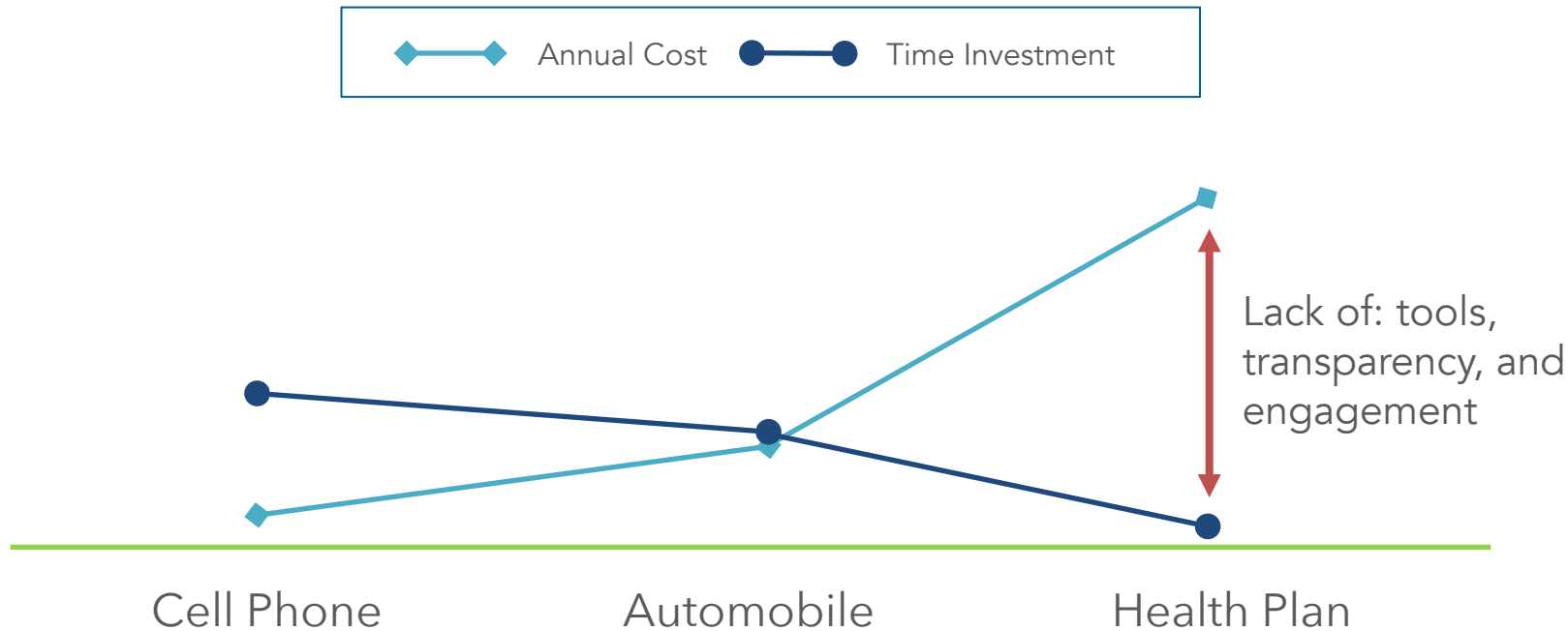


# Irrationality

- On Average, US Employees spend only 20 minutes on their annual benefits enrollment
- 61% seem to be on autopilot – enrolling as soon as they receive notification
- 53% agree that they need more help understanding how their benefits work or meet their needs

All of the above for an employee's 2<sup>nd</sup> largest annual expense!

# Lack of Consumerism





# Agenda

Introduction

**10 Things You Should Know**

Q&A

# #10

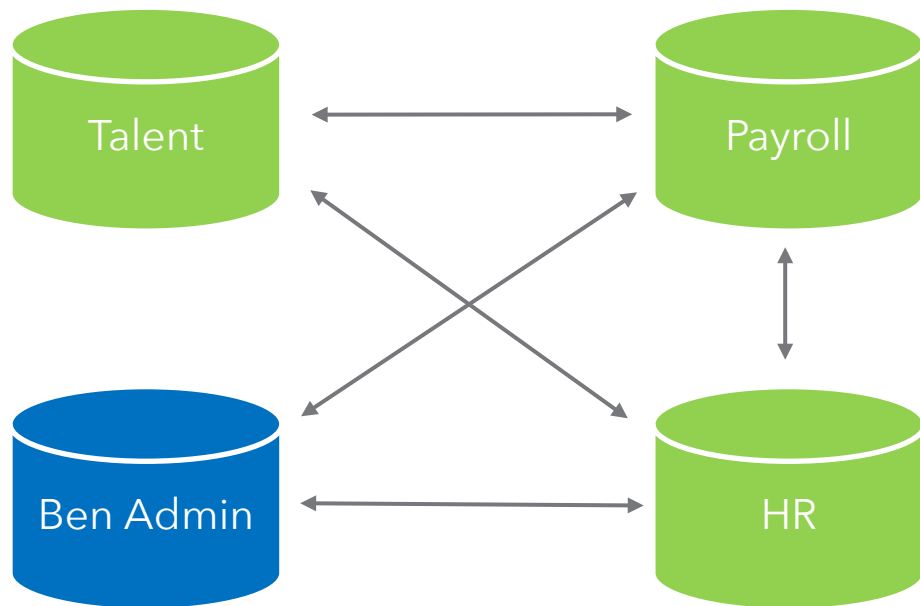
HCM Technology that's  
deep and broad is like a  
unicorn: *It doesn't exist.*

Revisiting the age-old dilemma:  
depth vs. breadth

# Best-in-Class vs. Unified

#10

Depth vs. breadth



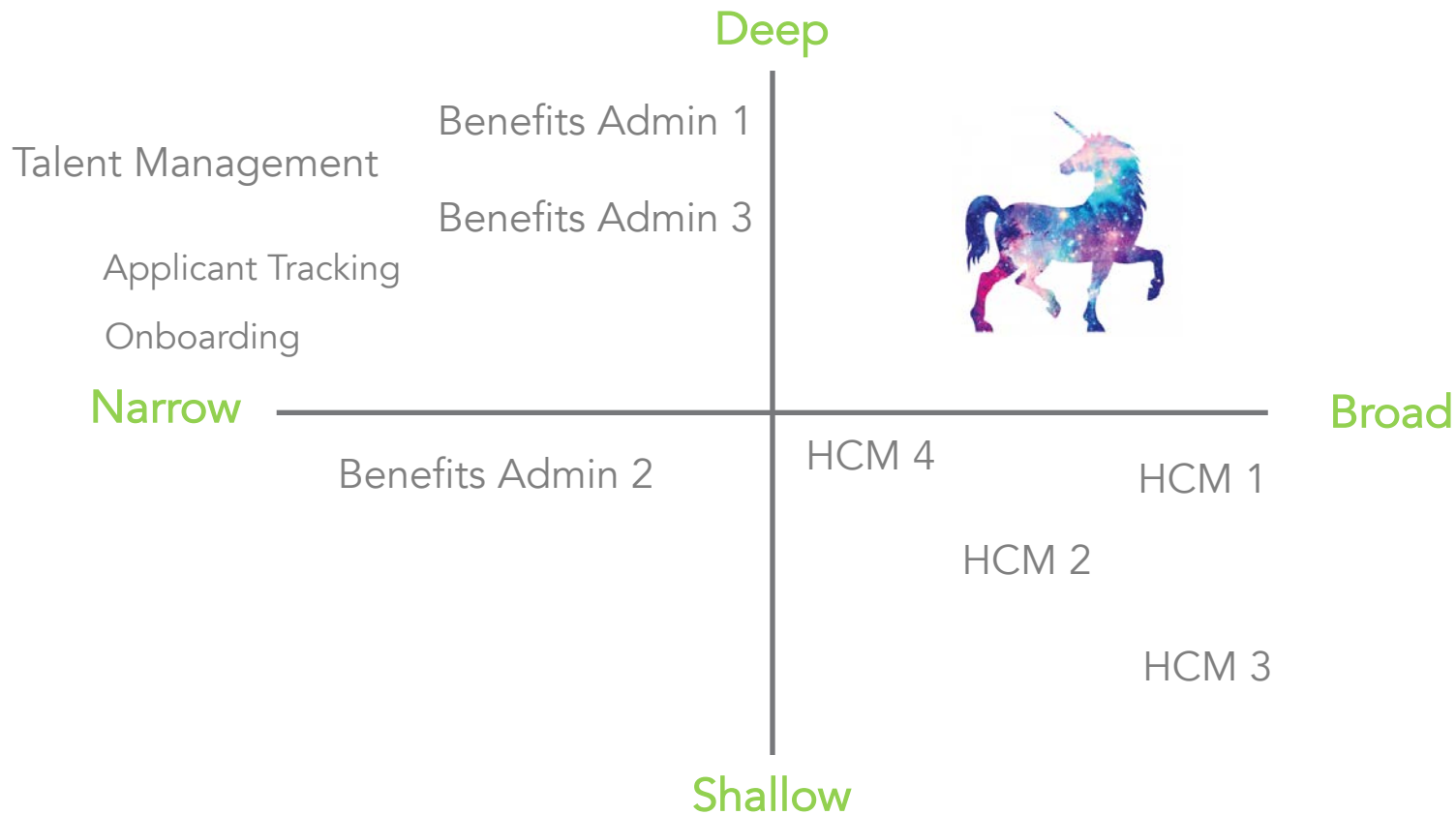
Vs.



# HCM Dilemma – Breadth vs. Depth

#10

Depth vs. breadth



# PlanSource Approach

#10

Depth vs. breadth



While PlanSource is a benefits technology company at its core – with deep expertise and focus in benefits software and services – they also have a partner-provisioned suite of HCM solutions – with leading HR, payroll, talent and workforce systems that are integrated out-of-the-box.

# #9

Your technology partner  
must play well with  
others

An API strategy is a must-have.



# HR Data on an Island

#9

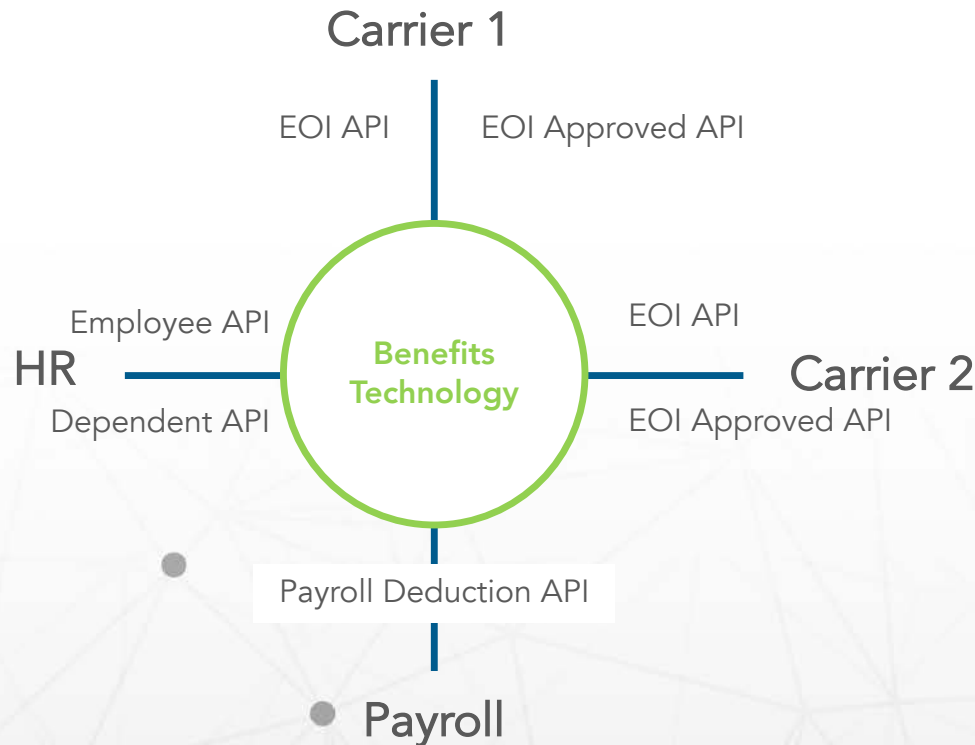
API Strategy



# API Strategy & Experience

#9

API Strategy



Batch EDI transactions are still the most common way that benefit enrollment data is exchanged.

However, it's important that your tech partner has an API strategy.

Some transactions, such as EOI completion and approval, are simply best handled via a real-time API.

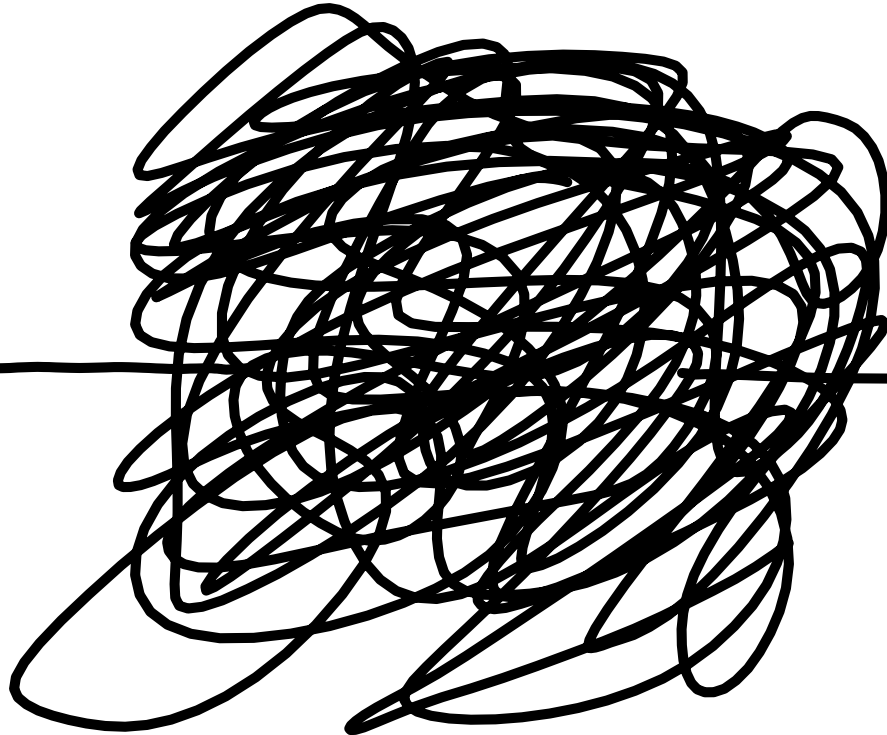
# #8

## EDI/834 Files: The non-standard standard

EDI is still a reality, and it's a  
real challenge.

Employee Makes  
Benefit Election

Carrier's Eligibility  
System Updated



# Benefits Data Exchange: Why is This so Hard? #8

EDI Reality

Multiple parties involved, each with their own competing priorities

Lack of standardization (and different types of benefits have unique needs)

Limitations of legacy systems

Benefits data exchange is a specialized competency

Lots of waiting (typically wait time accounts for 80+% of the project duration)

Minimal visibility at the project level

# A Partner With Lots of Experience Can Help

#8

EDI Reality

Handling benefits data exchange with insurance carriers, TPAs and payroll systems is complicated by a myriad of eligibility rules at the group and carrier level, COBRA and ACA regulations, and the limitations and quirks of legacy membership systems.

## *Questions to Ask:*

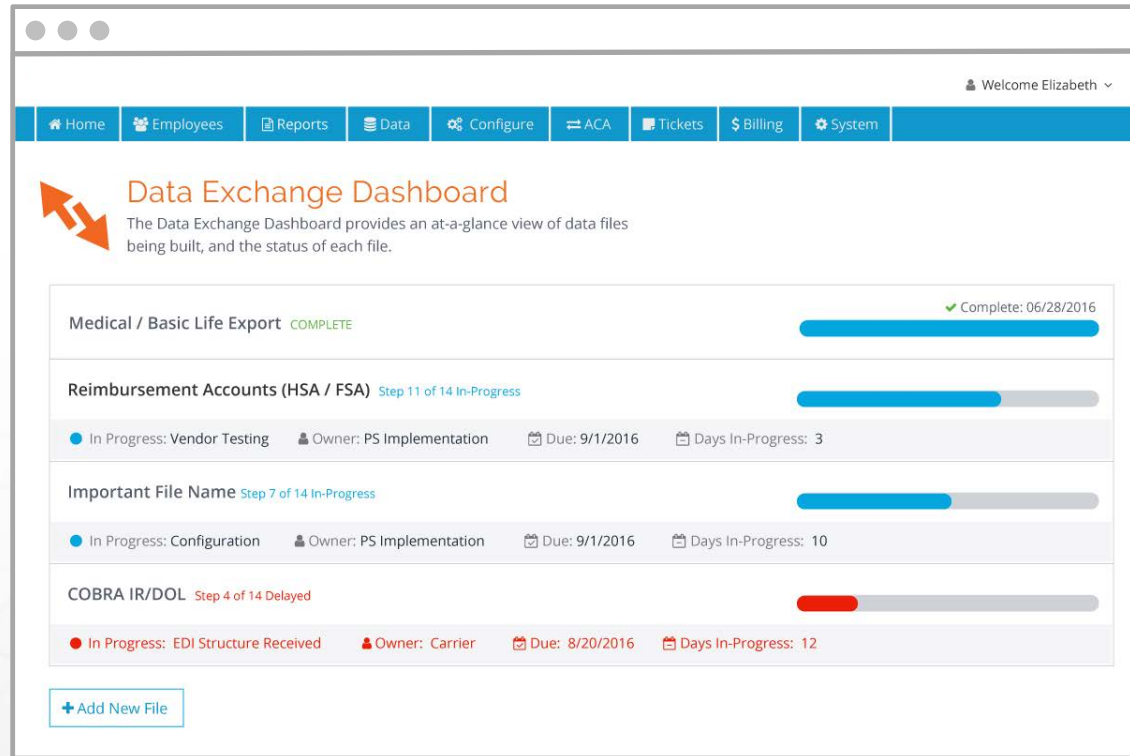
- How many data exchange connections do you have in place?
- How many new integrations do you do each year?
- How long does it take, on average, to create each new integration?
- How do you handle unique group numbering requirements from carriers?

It takes years to become competent in benefits data exchange. Benefits tech companies are focused on building a network of data exchange connections for benefits, so they are able to develop the required expertise.

# Data Exchange Transparency Tools Can Help #8

EDI Reality

You should be able to get a real-time view into the data exchange/EDI set up process and the ongoing transactions.



# Automated Notifications Can Help

#8

EDI Reality

Automated communications can keep all parties in the loop

- Status updates
- Lack of progress – inactivity notifications

Technology partner should monitor aging and progress by stage





# #7

Benefits data is  
radioactive PHI –  
Protect it!

Your tech partner should be  
SSAE 16 SOC 2 Type 2 Audited.

- Name
- Social Security Number
- Birth Date
- Address
- Email
- Salary
- Department

**SSAE 16 Audit,  
SOC 2 Type 2**

Address...

# #6

## Consumers expect a mobile-friendly experience

And more than 20% are  
smart phone dependent

# Importance of Mobile

#6

Mobile-friendly



## Importance of Mobile

1 in 5 Americans are smart-phone dependent

Consumers spend 5 hours on their phones each day

Consumers look at their phones 50 times per day



# Consumers Are Ready for Mobile Everything!

#6

Mobile-friendly

## Importance of Mobile

Consumers will complete complex processes on their phones

18% of consumers have applied for jobs on their phones

40% of TurboTax customers used mobile devices to file their taxes last year (9x higher than the prior year)

***Consumers will shop and enroll in benefits on their phones, and some even expect it.***

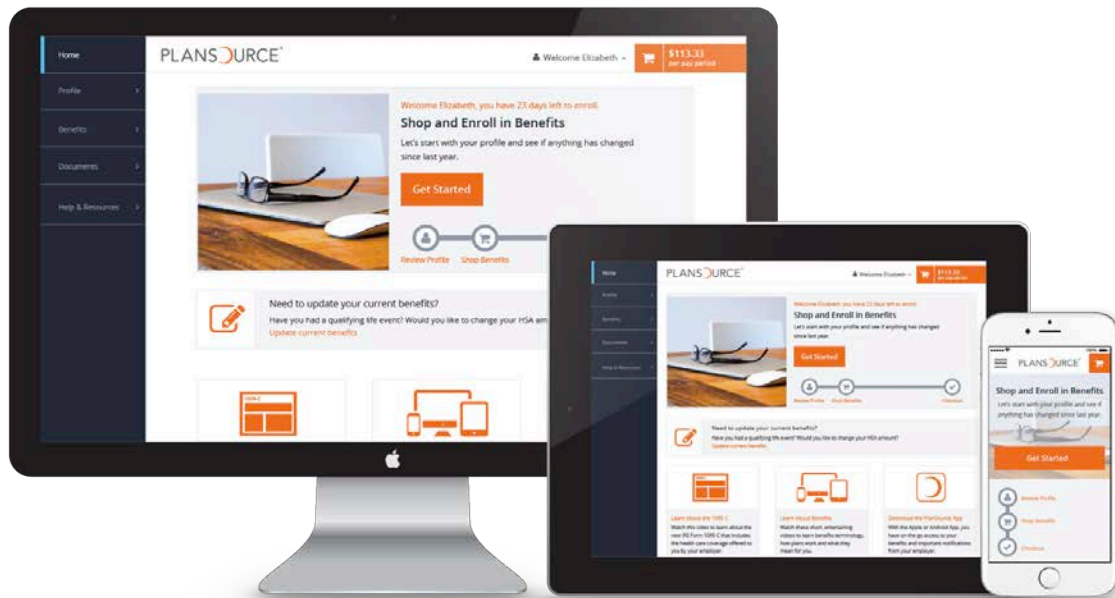


# Importance of Mobile

#6

Mobile-friendly

Your technology partner should provide a mobile-responsive experience.



# #5

## Plan to reach consumers in multiple ways

You'll need to support everything  
from phone-based enrollment to  
text messaging





**Employees**  
are not prepared  
to be consumers  
of healthcare



**Look for a technology partner that provides multiple ways to reach employees:**



**Mobile-Friendly  
Experience**



**Educational  
Videos and  
Content**



**Text  
Messaging**



**Employee  
Contact Center**

# Reach Consumers in Multiple Ways

#5

Reaching Consumers

## Your Partner Should Provide Educational Videos

Consumers love video and expect to be entertained

Consumers spend 5.5 hours each day watching videos

82% of all Internet traffic in 2020 will be video

People watch 8 billion videos per day on Facebook

Employees struggle to understand voluntary benefits

# Reach Consumers in Multiple Ways

#5

Reaching Consumers

## Use Text Messaging to Reach On-The-Go Employees

Most pervasive form of communication – familiar and efficient

8.6 billion texts sent per day in the U.S

30% of consumers interact with a brand via text message

Text messages have a 98% open rate and a 45% response rate

# #4

## Expanded choice requires decision support

However, simpler is better.



# Consumer Shopping Expectations

#4

Decision Support

The screenshot displays the Kelley Blue Book website interface. At the top, the logo and tagline 'Kelley Blue Book The Trusted Resource' are visible, along with social media links and a ZIP code field. The navigation bar includes links for Home, Car Values, Cars for Sale, Car Reviews, Awards & Top 10s, and Research Tools. A banner advertisement for a dark sedan features the text 'Durable, dependable and oh, so drivable.' and a 'LEARN MORE' button. Below this, a breadcrumb trail reads 'Home > New Car Shopping Tools'. The main content area is divided into three sections: 'New Car Shopping Tools' with a search form for Make and Model; 'Ratings and Reviews' showing Expert and Consumer ratings; and 'Fair Purchase Price' displaying the MSRP and a suggested purchase price. Each section includes a 'See top-rated cars' or 'Browse prices and best deals' button.

**Kelley Blue Book** The Trusted Resource<sup>®</sup>

Home | Car Values | Cars for Sale | Car Reviews | Awards & Top 10s | Research Tools

ZIP CODE: | Sign in (or Sign up)

Advertisement

Durable, dependable and oh, so drivable.

Options shown.

LEARN MORE

Home > New Car Shopping Tools

**New Car Shopping Tools**  
We give you everything you need to make a smart decision.

Got a particular car in mind? Start here.

Make  Model  Go

Advertisement

When it comes to finding a reliable Toyota, Toyota knows best.

EXPLORE NOW

Advertisement

**Need help finding the right new car? Our tools can help.**

**5-Year Cost to Own**  
Compare new cars based on long-term costs like maintenance, insurance & fuel.

5-Year Cost to Own

\$34,230

\$36,675

Compare cars

**Ratings and Reviews**  
Get the real story from our in-house experts and consumers like you.

Expert Rating

7.2

Consumer Rating

9.1

See top-rated cars

**Fair Purchase Price**  
See what you should pay based on what others have paid in your area.

MSRP

\$24,576

Browse prices and best deals

## 401k Retirement Concerns

- Industry-wide dilemma
- Trailing investment knowledge/experience
- Fear of complexity
- Expanded choice
- Consumer irrationality

## Market Response/Solutions

- Lifestyle funds
- Recommendation/Advice tools
- Paradigm shift – Successful



# Education and Recommendations

*For All Types of Benefits*

#4

Decision Support





# Start Simple, and Let Employees Dig Deeper #4

Decision Support

The screenshot displays the THRIVE HOSPITALITY employee benefits portal. The main navigation menu on the left includes Home, Profile, Benefits, Documents, and Help & Resources. The user is logged in as Natalie. The page title is "Medical Plan Details: Aetna HDHP \$5000 Deductible".

The "Estimate Details" modal is open, showing the following information:

- Out-of-Pocket**
- Annual Premium**
- Total Amount you will Pay**

Below the modal, the "Show Calculation Details" link is visible, along with a disclaimer: "Your actual costs may vary from the cost estimates provided."

The background shows the "Your Project" section with a table of costs:

Category	Cost
Out-of-Pocket	\$12,000
Annual Premium	\$8,933
Total Amount you will Pay	\$1,550

The "Estimate Details" modal provides a breakdown of costs:

Category	Cost
Out-of-Pocket plan costs	\$7,551.20
Co-pays:	\$885.00
Primary Physician co-pay (\$35 per visit)	\$105.00
Emergency Room co-pay (\$150 per visit)	\$150.00
Hospital Stay co-pay (\$150 per visit)	\$150.00
Generic Drug Prescription co-pays (\$40 per drug)	\$480.00
In-Network Deductible:	\$5,000.00
In-Network Co-Insurance:	1,666.20
Annual Premium	+ \$1,381.92
Total Amount you will Pay	= \$8,933.12

The "Your Usage Scenario" section shows the following costs:

Category	Cost
Medical services, before insurance	\$17,180.00
Primary Physician Visits	\$2,280.00
Emergency Room Visit	\$150.00
Hospital Stay	\$13,331.00
Generic Prescription Drugs	\$460.00
Amount your insurance plan will pay	- \$8246.88

# #3

Benefits administration  
requires a lot of  
feature-depth

Riddle me this....

Riddle: When Does  $364 = 1$ ?

# Substance

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SIZZLE

# #2

## Automation is required for compliance

Increasing regulations have  
increased complexity

Lookback Periods

Eligibility HR Compliance

COBRA Admin Benefits Automation

HIPAA Stability Periods 1094-B

Affordable Care

Technology 1095-B Summary Plan Description

Act Compliance

Marketplace Notification 5500

HR Compliance 1095-C W-2 Reporting

Qualified Status Changes Life Event Mgmt

Evidence of Insurability Guaranteed Issue

COBRA Administration

# Regulatory

#2

Compliance



45% of midsize companies and 54% of large companies said that **regulatory changes** have led them to become more likely to outsource some of all of their benefits administration

# #1

## ROI is attainable and sustainable

Benefits technology projects  
provide the highest % savings



# Identifying Return on Investment

#1  
ROI

## *Current State*

How inefficient  
is the current  
process?

## *Breadth*

How many  
people will the  
change positively  
impact?

## *Repeatability*

What is the  
frequency of the  
process being  
improved?

# Identifying Return on Investment

#1  
ROI

<i>HR Process</i>	<i>Manual Cost</i>	<i>Cost with Automation</i>	<i>% Savings</i>
Salary Change	\$33.50	\$18.26	45%
Approve Promotion	\$36.38	\$14.01	62%
Create Job Requisition	\$27.67	\$11.11	60%
Performance Appraisal	\$59.73	\$47.60	20%
Enroll in Benefits	\$30.06	\$4.59	85% 
Enroll in Training	\$9.58	\$2.31	76%
Change of Address	\$1.58	\$0.36	78%
Apply for Job	\$11.55	\$6.09	47%



# Agenda

Introduction

10 Things You Should Know

**Q&A**

# Q&A

## *The 10 Things You Show Know – In Review*

**#10** HCM Technology that's deep and broad is like a unicorn: It doesn't exist.

**#9** Your technology partner must play well with others.

**#8** EDI/834 Files: The non-standard standard.

**#7** Benefits data is radioactive PHI – Protect it!

**#6** Consumers expect a mobile-friendly experience.

**#5** Plan to reach consumers in multiple ways.

**#4** Expanded choice requires decision support, but keep it simple.

**#3** Benefits administration requires a lot of feature-depth.

**#2** Automation is required for compliance.

**#1** ROI is achievable and sustainable.

# Feel Free To Reach Out



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# Get in touch with PlanSource

Contact your sales representative

[www.plansource.com/getintouch](http://www.plansource.com/getintouch)

877-735-0468



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