

OPEN ENROLLMENT READINESS BENCHMARK

JANUARY 2019

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Employers put the pedal to the metal as they drive toward open enrollment readiness

While overall readiness scores rose 15 points, many employers still not up to speed

The overall open enrollment readiness score for employers with 2019 Q1 start dates increased significantly from 48 in November to 63 in December, according to the latest data collected by *Employee Benefit Adviser* in its monthly Open Enrollment Readiness Benchmark (OERB) survey.

While it looks as if many employers shifted into high gear at the 11th hour, the score indicates that a sizable number of employers still are not as far along as they should be at this late stage in the readiness cycle. As such, some employers were feeling quite a bit of pressure as they struggled to get ready for 2019 Q1 start dates, while also trying to get a jump start on next year's planning.

Indeed, one employer who participated in the survey lamented that "December is the middle month, the time when we are closing out everything from the previous year and preparing for the next year to begin. That can be pretty hectic." Another survey respondent stated that "December is a challenging month with all things year end going on and holidays and trying to get everything completed." Still another said that "wrapping everything up and ensuring everything was submitted on time and preparing to analyze our processes for the year" emerged as a significant challenge.

Some of this stress could emanate from the fact that many employers don't give benefits planning the attention it is due throughout the year.

"Indeed, employers need to take a more proactive approach and should recognize the fact that benefits planning is a year-round process, not a one-time event," said Jack Kwicien, managing partner at Daymark Advisors, a Baltimore-based consultancy that works with benefit advisers to build their practices.

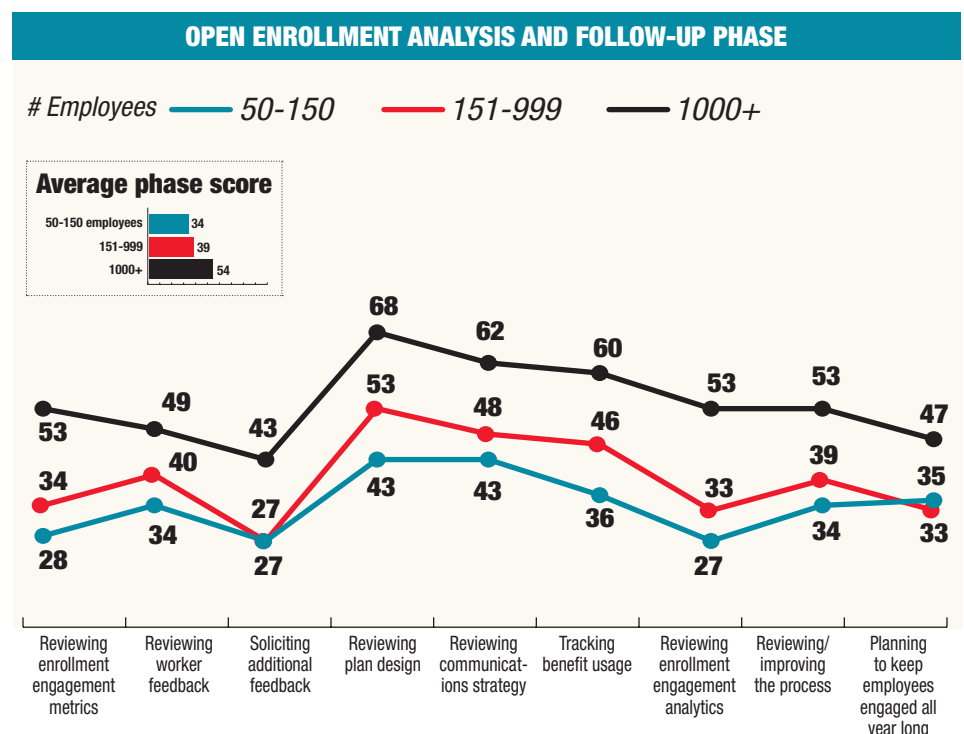
More specifically, employers should continually focus on the "three Cs – cost control, coordination and communication," Kwicien advised. To start, employers could

zero in on "cost control" by making a point of "getting the best plan design that will ultimately help to save money." Employers also need to "coordinate activities between the carrier and the broker to make sure they are getting the proper service, and the proper forms. It's important to communicate information back to the carriers to confirm who is eligible for benefits," Kwicien pointed out. And, perhaps most importantly, employers need to "have a formalized employee communication campaign that starts early in the process and is implemented throughout the entire year," Kwicien said.

Addressing the "three Cs" at the end of the year is likely to be too little, too late. "All of these things should have been addressed a long time ago. By December it is really late in the game and employers should not be dealing with

all of these issues," Kwicien said.

Unfortunately, though, many employers are still struggling with readiness activities that should have been completed many months ago. For instance, the score for "selecting wellness plans" – a task that should have been addressed during the benefit plan design phase many months ago – was just 63. Similarly, the score for "planning/designing employee communication" – an activity that ideally should be checked off the list during the open enrollment preparation phase – came in at 52. And, finally "measuring enrollment engagement metrics," an open enrollment management phase activity, received a score of just 56. To arrive at these scores, the OERB tracks 26 open enrollment activities and asks employers to submit self-assessments of the progress they have made in each. ■



Source: SourceMedia Research, Open Enrollment Readiness Benchmark Survey, December 2018

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Assessing progress with an eye toward improvement

While it might be too late to save this year's open enrollment cycle, proper analysis could inform next year's strategy

At this point of the readiness cycle, employers should be zeroing in on open enrollment analysis and follow up activities. Unfortunately, many employers are struggling to get up to speed with these activities. For instance, the score for soliciting additional worker feedback came in at just 44.

Kwicien, however, said that employers can easily rectify the situation. "For example, employers could conduct a simple survey that would provide them with a wealth of information, as to how to improve the benefits communication and the enrollment process," Kwicien said.

Kwicien recommends gathering demographic information and also developing a survey of 10 questions or less that asks participants to provide quantifiable answers on a 1 to 10 scale. The survey could include questions such as:

- How would you rate your experience during the open enrollment period?
- How would you rate your understanding of the benefits that you had?
- How would you rate your understanding of the benefits you just enrolled in?

The information obtained from such a survey could offer an employer "a wealth of information as to how to improve benefits communication

and the enrollment process," Kwicien said. More specifically, the survey could produce statistical data that would help employers as they evaluate their current benefits plan design, their communication campaign for 2019, and their 2020 actual effective dates. In addition, conducting the surveys annually could help employers determine if they are making progress. "They can see how much movement there may have been in terms of the employee participation and note if there are any differences in terms of the employee understanding and appreciation of benefits," Kwicien said. ■

ASK THE ADVISOR

Putting technology in the hands of employees

As employers deal with a changing workforce, the need to adopt technology increases



Jack Kwicien
Daymark Advisors

As part of the Open Enrollment Readiness Benchmark survey, employers are asked each month to submit questions that they'd like a qualified benefits adviser to answer. This month's featured question is answered by Jack Kwicien of Daymark Advisors.

Q: What are emerging technology trends that employers should be aware of in the year ahead?

A: Many employers are still doing open enrollment with paper forms. Others are using a variety of benefits communications and technology platforms such as benefits portals or other one-off technologies. And, many employers are using technologies that help to streamline the entire benefits enrollment process, which makes everything much more

efficient and helps to reduce errors.

But more is needed to meet the needs of increasingly tech-savvy employees. By 2025, millennials will represent almost half of the workforce – and all of these employees expect to use technology in every aspect of their lives. As a result, some very forward-thinking employers are making it possible for employees to access benefits information and even conduct benefits enrollment through apps on hand-held devices.

The apps enable employees to more than just enroll in benefits programs. For example, an employee might be at a doctor's appointment and need to prove that they have insurance coverage. So, if the employee forgot their ID card, they could still pull it up on their phone and prove that they have coverage.

By making it possible for employees to get information about their benefits anytime, anywhere, they are bound to become much more engaged. If they have what they need

around the clock, they will no longer need to call or see someone in the HR and benefits department to get the information—which often stood in the way of engagement in the past. Instead, they will be able to access their own personal information on an on-demand basis, and not just from a desktop but from a hand-held device.

Imagine the following scenario: It's the weekend and an employee is having a conversation with their spouse about the terms of their medical coverage. The employee could simply grab his or her smartphone and pull up the needed information – and the conversation could continue. In the past, the discussion might have been tabled until the employee talked to HR or pulled up information via a desktop computer. With these apps, though, it will be no different than doing any other research on the internet about finding a restaurant or booking travel or purchasing groceries. ■

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EMPLOYERS STARTING BENEFITS IN Q1 2019				
Overall Readiness (as of DECEMBER 2018)				63
PHASE	ACTIVITY	ACTIVITY SCORE	PROGRESS	
Phase 1 Benefit Plan Design	Selecting benefit brokers/advisers	78		73
	Selecting health plans	75		
	Selecting voluntary plans	72		
	Selecting pharmacy plans	73		
	Selecting retirement plans	78		
	Selecting wellness plans	63		
Phase 2 Open Enrollment Preparation	Enrollment timing	81		59
	Planning/designing employee communications	52		
	Reviewing compliance/eligibility issues	54		
	Setting goals	54		
	Documenting processes/procedures	52		
Phase 3 Open Enrollment Management	Managing meetings with advisers/brokers	76		66
	Enrolling employees	75		
	Answering employee questions	75		
	Documenting worker feedback	57		
	Measuring enrollment engagement metrics	56		
	Boosting enrollment engagements	59		
Phase 4 Open Enrollment Design Analysis & Follow-up	Reviewing enrollment engagement metrics	54		55
	Reviewing worker feedback	57		
	Soliciting additional feedback	44		
	Reviewing plan design	69		
	Reviewing communications strategy	65		
	Tracking benefit usage	60		
	Reviewing enrollment engagement analytics	50		
	Reviewing/improving the process	52		
Planning year-round employee engagement	46			

Note: Scores are based on the progress employers with benefit start dates in the first quarter say they have made in each activity. Responses range from no progress, which equates to a score of 0, to completed, which equates to a score of 100.

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Previous OERB reports explored ways advisers can work with clients to overcome benefit sign-up challenges. To access all OERB reports, go to: <https://www.employeebenefitadviser.com/collections/open-enrollment-readiness-benchmark>

Employers losing confidence in readiness levels as 2019 open enrollment start dates quickly draw near

Overall open enrollment readiness score drops 6 points in just 1 month

<https://bit.ly/2sKhWUh>

With open enrollment around the corner, many employers still not prepared

Human resources professionals find themselves zeroing in on 11th-hour preparations

<https://bit.ly/2AS7zBt>

Progress toward open enrollment readiness hits a standstill

Working with employers to establish and manage the open enrollment process could help get initiatives back on track

<https://bit.ly/2pkExVr>

Overall readiness scores decline as open enrollment periods draw near

Employers not as prepared as they once thought they were

<https://bit.ly/2CtapyL>

Employers make significant strides toward open enrollment readiness

But with open enrollment periods looming, is it enough?

<https://bit.ly/2RckNQ7>

As open enrollment periods loom, some employers need to play catch up to get ready

Working with employers to fine-tune communications plans can help ensure open enrollment success

<https://bit.ly/2QoehWS>