

# BENEFITFOCUS® Success Story North Carolina State Health Plan

## Replacing Complexity with a Flexible Process and Partnership

### Introduction

The mission of the State Health Plan is to improve the health and health care of North Carolina teachers, state employees, retirees and their dependents, in a financially sustainable manner, thereby serving as a model to the people of North Carolina for improving their health and well-being. The Plan provides health care coverage to over 725,000 teachers, state employees, retirees and their dependents.

### Challenge

A suffocating amount of paper made employee benefits a completely different ballgame for North Carolina State Health Plan, the agency in charge of administering benefits for North Carolina's nearly 500,000 government workers employed by more than 400 government agencies, municipalities, universities, community colleges and schools, as well as its population of more than 200,000 retirees. The sheer number of individuals gave them no choice but to make open enrollment completely passive year after year due to the volume of paper. And when it came to qualified life events, it could take up to three months to process. Benefit administrators were wading through a sea of forms, faxes and scanned documents.

It all came to a head when the state government passed legislation requiring tobacco attestation. They realized there was no way to quickly meet this requirement for half a million employees within the nine months leading up to open enrollment if they stayed the same course. It was time to secure a solution that could satisfy the needs of their diverse workforce, while streamlining compliance—and they needed to make the move fast.



### INDUSTRY

State Government

### NUMBER OF MEMBERS

497,000 Active, 230,000 Retirees

### SOLUTIONS

[BENEFITFOCUS® MarketPlace](#)

[Benefits Service Center](#)

[BENEFITFOCUS® ACA Management & Reporting](#)

### RESULTS

Improved member engagement

Increased administrative efficiency

Automated retiree enrollment and state-wide wellness initiatives

Simplified compliance management

Instituted holistic oversight and governance

“What used to take three months to process is now instantaneous through the platform.”

— Beth Horner

*Director of Customer Experience  
and Communications,  
North Carolina State Health Plan*

**BENEFITFOCUS®**

## Solution

North Carolina State Health Plan selected [BENEFITFOCUS® MarketPlace](#) for its scalability and extensibility, moving nearly all of their 400 groups onto the platform in time for open enrollment. The configurable, rules-based enrollment workflow within the platform gave the State Health Plan the ability to comply with state legislation while bringing a higher level of administrative efficiency as well as powerful communication and planning tools.

North Carolina State Health Plan was no longer drowning in paper, as Benefitfocus was able to remove that burden through seamless integration with their more than 20 carriers and vendors, removing manual human error and automating file transfer. Additionally, each of the state's 400 agencies were able to take advantage of the operationally configurable architecture of Benefitfocus MarketPlace to satisfy varying needs.

"If [one of our groups has] a different benefit offering they'd like to offer their employees, they are able to work with Benefitfocus to get those different benefits added to the platform," remarked Beth Horner, Director of Customer Experience and Communications for North Carolina State Health Plan.

## Enrollment

Never before had the state's employees and retirees been able to engage in their benefits or rely on a fast turnaround with qualifying life event changes. Whether it's open enrollment or a life event such as a marriage or birth of a child, members can conveniently access Benefitfocus MarketPlace to shop for, enroll in and learn about their benefits coverage. North Carolina State Health Plan's health benefit representatives now take advantage of educational tools and content throughout the enrollment experience, such as embedding videos to help guide employees to the plans best suited for their needs.

NCFlex, a division of North Carolina's Office of State Human Resources (OSHR), manages voluntary benefits for a large subset of the population. Voluntary benefits have taken on more prominence as the State Health Plan aims to compete with private sector employers. Prior to partnering with Benefitfocus, showcasing their voluntary benefit offerings was nearly impossible. Now, medical and voluntary benefits are part of a single enrollment experience, helping employees better understand their options and select the right benefits to fit their life. Since employees are more informed on their benefits, the state's HR teams have seen a reduction in enrollment and benefits questions, allowing them to devote more of their time to strategic initiatives.

North Carolina State Health Plan also has a significant retiree population—roughly 230,000 retirees. In partnering with Benefitfocus, the State Health Plan has been able to reduce the complexity of retiree administration through automatic enrollment for those that are Medicare eligible, allowing retirees to choose alternate plan options on their Medicare effective date.

As a major state employer, North Carolina State Health Plan takes their fiduciary responsibility seriously to ensure the taxpayer-funded insurance benefits are administered properly. They recently worked with Benefitfocus to conduct a dependent eligibility audit to help ensure that only eligible dependents are covered and to maximize the financial stability of the State Health Plan. Ultimately, more than 600 ineligible dependents were discovered, and with an average spend of \$6,000 per person per year, the State Health Plan estimates a savings of \$3.6 million annually. Additionally, it helps ensure their eligible plan members aren't paying more than necessary for their health insurance.

## Communication

North Carolina State Health Plan and NCFlex's goals for communication are to provide their employees and retirees with better knowledge and understanding of the products they offer. "Not every product is appropriate for every person," said Linda Forsberg, State Benefit Manager for NCFlex. "We don't want them to be over-insured, yet we want them to have the insurance coverage that they need." Benefitfocus Marketplace enables them to send targeted, personalized communication through email and SMS text.

"I looked at everybody this past year who had children under the age of 13, but were not enrolled in the Dependent Care FSA. We did a targeted communication to them, explained the value of having a DCFSA and we grew enrollment by 20 percent," said Linda, in reference to how she is leveraging the platform's messaging capabilities.

## Service

Benefitfocus' customer support model also sets up North Carolina State Health Plan for success. The Benefitfocus team members supporting the State Health Plan have specific expertise in the public sector and are dedicated to state government customers. In fact, the State Health Plan has seen the value in longevity, partnering with Benefitfocus for more than a decade.

North Carolina State Health Plan also adopted [BENEFITFOCUS® Benefits Service Center](#) to act as an extension of their team. The Benefits Service Center provides state employees and retirees access to telephonic enrollment and additional support for questions about their coverage as well as fulfillment services. With a diverse population ranging from active employees that work in the field, such as

correctional officers or Department of Transportation employees, to retirees that may not have access to a computer, the Benefits Service Center offers access to a team of benefits specialists who are well-versed in the North Carolina State Health Plan's benefits. Specialists provide one-on-one assistance over the phone and help the state's employees and retirees have peace of mind knowing they have the coverage they need during the moments that matter in their lives.

What once seemed insurmountable in complexity is now a seamless, flexible process and partnership. North Carolina State Health Plan said goodbye to error-prone manual processes and piles of paper, and hello to administrative ease and the ability to plan strategically.

North Carolina State Health Plan has put their trust in Benefitfocus, partnering together for **10+ years**.



Learn how you can partner with Benefitfocus to streamline administration and design a competitive benefits strategy. Contact: [sales@benefitfocus.com](mailto:sales@benefitfocus.com) today.

[facebook.com/benefitfocus](https://www.facebook.com/benefitfocus)

[linkedin.com/company/benefitfocus](https://www.linkedin.com/company/benefitfocus)

[twitter.com/Benefitfocus](https://twitter.com/Benefitfocus)

©2019, Benefitfocus.com, Inc. All Rights Reserved.

Words and logos identified by "®" or "™" and listed at <https://www.benefitfocus.com/legal/trademarks> are trademarks of Benefitfocus.com, Inc.

CS127-0519