

Questions to Ask When Considering an HCM for Benefits Administration



With a reported 12.6% annualized medical inflation rate¹, employers are searching for ways to control health care costs. Some may find themselves comparing the services of a comprehensive benefits administration provider against services available through a Human Capital Management (HCM) software provider. Use this checklist to consider benefit needs and plan complexity against what an HCM can deliver to determine where and whether savings can be realized.

Consideration	Benefitfocus	Comparative Vendor	
		Yes	No
Integrated Software and Service Does the solution include an experienced team to help with systems configuration, updates, file management, vendor coordination and reporting throughout the year, or is it just software?	✓		☐
Comprehensive Benefits Administration Are key aspects of benefits administration handled in-house with a single point of contact (compliance, billing, dependent verification)? Does it integrate employee health and wealth, with continual enhancements to meet evolving needs?	✓		☐
Holistic Implementation Expertise Is implementation included in the price and supported by an experienced team to ensure plan requirements are met? Does it include initial set up for all benefits (core carriers, voluntary benefits, point solutions, etc.) including EDI builds, file integration and reconciliation?	✓		☐
Open Enrollment and Year-Round Employee Communication Will it provide open enrollment communications and guided decision support? Can it accurately track employee Open Enrollment status? Are call center services available to answer employee questions?	✓		☐
Proactive Compliance Support Does it offer both software and ongoing proactive services to help maintain compliance with required entities (e.g., ACA, COBRA/HIPAA, Leave Management)?	✓		☐
Ongoing Cost Reduction Can it help reduce costs with employee benefits decision support, claims-based wellness nudges and care navigation tools? Does it include health care claims analytics to help identify and act on cost drivers?	✓		☐
Turnkey Vendor Integration and Management Does the solution include the cost and support to build and maintain carrier and vendor integrations (COBRA, direct bill, total rewards and incentives etc.) including data testing, exception reporting and handling? Will there be a single point of contact that oversees these relationships?	✓		☐
Flexible Plan and System Configurations Can the solution pull together data from multiple systems and EINs and be easily configured to support things like merger & acquisition activity, tier levels, unions, unique plan designs, retirees, split-family medical plans and multiple EINs? Is knowledgeable support provided to help ensure accurate, effective date-driven set up?	✓		☐
Robust Reporting and Analytics Are there standard reports specifically designed for benefit administration professionals? Will there be access to self-service reporting and analytics based on member eligibility, medical claims, Rx claims and more to help control costs and improve outcomes?	✓		☐

With 25 years' experience providing comprehensive benefits administration, Benefitfocus understands the importance of making benefits simple. We can be a single point of contact for services employers often manage separately, to ensure a seamless experience for administrators and employees.



Contact us to learn more about the unique value Benefitfocus offers.

¹ Benefitfocus 2025 State of Employee Benefits. Based on normalizing the observed medical costs by controlling for demographics.