

# Buyer's Guide for Next Level Benefits Administration

**2022 Edition**

Key Considerations for Technology and Services

**Benefitfocus<sup>®</sup>**

## Introduction

COVID-19 has certainly introduced many changes in the workplace. Employers are not only navigating these changes, but also the heightened consequence the pandemic has brought to existing HR challenges – rising health care costs, rapidly changing regulatory requirements and a rebounding job market that’s even more competitive than before.

Meanwhile, the pandemic continues to pose a threat to employees’ long-term physical, mental and financial wellbeing. They’re relying on their employers to provide the information and support necessary to make the best benefit choices and protect them against the unexpected.

These expectations and demands can be overwhelming for even the most-resourced HR and benefit teams. That’s why it’s imperative to select a benefits administration platform that’s proven to transform benefits from a cost center to a strategic business differentiator – now and in the future.

## About This Guide

As the demands of benefits grow in complexity, a number of benefits management technology solutions have emerged in the marketplace, which has made the selection process equally as complex. From functionality and features to security and services, this guide outlines important factors you should cover in your evaluation of a benefits technology vendor.

You’ll learn how to identify the solution that can best support year-round benefits management and ultimately enable your organization to:



**Create a more expansive and competitive benefits package.**



**Reduce administrative complexity to save time and money.**



**Improve employee engagement and drive smart decisions.**



**Control rising health care costs and improve employee outcomes.**

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# Year-Round Benefits Management

Annual enrollment may get the most attention, but HR professionals know that employee benefit programs are a year-round initiative. We've organized the following sections to cover key elements necessary to streamline benefits enrollment as well as everything leading up to and following it.



## The Fundamentals

Before getting into the specific functionality that supports year-round benefits management, take a minute to review key fundamental qualities to look for in a prospective benefits technology vendor.



**Technology Delivery.** Cloud-based, Software-as-a-Service (SaaS) delivery models to provide a configurable, scalable solution that can be easily tailored to your organization's unique requirements, while also delivering new features and functionality on a regular basis to address evolving business needs.



**Benefits Expertise.** Extensive knowledge and experience serving clients similar to your organization, as well as clients across a wide array of industries and business types with dedicated support teams across product development and customer service specializing in employee benefits.



**Network.** Established data integrations with specialized applications, including your current payroll and HRIS systems, along with an expansive array of health insurance and other benefit carriers that will enable your organization to offer a competitive benefits package without adding administrative burden.



**Data Insight.** Business intelligence tools that provide actionable insight into your organization's benefits program and inform strategic decisions around plan design, employee engagement, cost control and more.



**User Experience.** User-focused design that creates an intuitive environment for employees and administrators to complete benefits-related tasks.



**Mobile Access.** Full mobile enrollment and benefits management capabilities—optimized for both smartphones and tablets—to bring the level of convenience that your employees have come to expect as modern-day consumers.



**Support.** Dedicated support center that employees can rely on to answer questions pertaining to enrollment, life event changes and other benefits-related inquiries.



**Implementation & Service.** World-class implementation and customer support model that ensures a consistent and seamless experience for ongoing support along with reliable transparency, rapid issue resolution and opportunities to share feedback for improvement.

# Plan Design & Insurance Carrier Selection

As health care costs continue to rise, you're likely looking for ways to control spending. The challenge is doing so without compromising employee satisfaction and exposing workers to an unnecessary level of financial risk.

Benefits are simply not one-size-fits-all. Your workforce is a unique mix of different age groups, income levels and lifestyles, and your benefits program should reflect that truth. You need to provide options—an equally unique mix of products and programs—tailored to the health and financial needs of your employee population, while still supporting the strategic goals of the organization. To achieve the right balance, you need to have the right information, and that comes from greater transparency into your benefits data.



**Medical debt is the #1 cause of bankruptcy in the U.S.<sup>1</sup>**

Here are some different ways a benefits technology platform can help you design plans that meet the needs of your workforce:

Desired Capability	Description	Questions to Ask Vendor
<b>Data integration and warehousing</b>	Consolidates data from your insurance carriers, TPAs, payroll, eligibility, PBM/ pharmacy, wellness, biometrics, disease management, billing and other systems to provide on-demand access to all benefits information in one location	<p>What types of data sources can be integrated into the platform?</p> <p>How is the data loaded, mapped and validated?</p> <p>What is the frequency of data updates?</p> <p>How long does it take to process, load and aggregate data?</p> <p>How long does historical data stay available?</p>
<b>Data visualization</b>	Organizes data in an easy-to-consume dashboard format, using graphs, charts and other infographics to present the pertinent metrics of your health plan and employee population to provide a clear understanding of the state of your benefits program	<p>Describe the accessibility and readability of data within the platform.</p> <p>What types of metrics can be presented?</p> <p>Can the data view be configured based on our needs?</p> <p>What data filters can be applied (e.g., date range, location, relationship, etc.)?</p>



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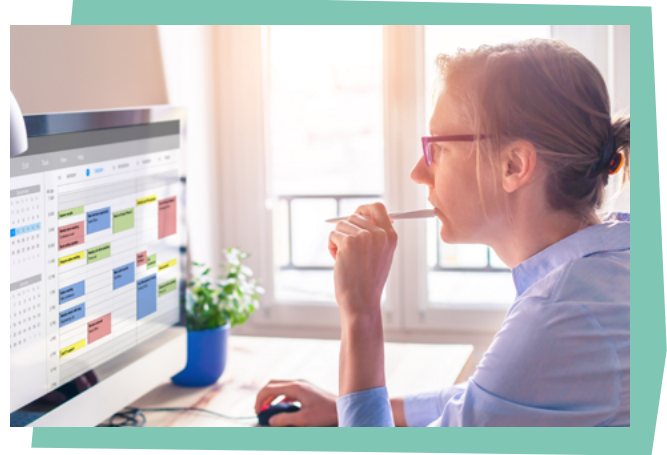
Desired Capability	Description	Questions to Ask Vendor
<p><b>Reporting and analysis</b></p>	<p>Drills down into the details behind your metrics, providing in-depth insight on plan participation, utilization, expenses, etc., to pinpoint what’s driving costs, predict future spending and identify specific areas for improvement</p>	<p>What types of detailed reports can be created through the platform?</p> <p>Does the platform support ad hoc reporting?</p> <p>Can reports be scheduled, saved and shared (across departments or other vendors)?</p> <p>Can we run reports on the individual and plan level?</p> <p>Does the platform enable stop-loss reporting?</p> <p>Are trends and benchmarks incorporated for comparison?</p> <p>Can the platform provide insight and recommendations based on report results?</p>
<p><b>Clinical risk assessment</b></p>	<p>Uses predictive modeling to pinpoint high-cost individuals, monitor chronic condition care, assess plan risk, predict future costs and identify potential gaps in care</p>	<p>Can the platform generate predictive risk scores?</p> <p>Describe the score methodology and frequency of updates.</p> <p>Can data be stratified by risk score?</p> <p>Can employee biometric data be incorporated?</p>
<p><b>Plan modeling and forecasting</b></p>	<p>Allows benefit administrators and analysts to test different plan designs by creating “what if” scenarios, adjusting co-pays, deductibles, benefits, inflation, employee populations and other variables to accurately forecast the impact of plan design changes</p>	<p>What types of plans can be modeled?</p> <p>How are model results determined?</p> <p>What types of variables can be adjusted for modeling?</p> <p>Can the average benefits administrator use this tool?</p>
<p><b>Consulting services</b></p>	<p>Offer additional resources to help interpret data, research plan design changes, formulate a voluntary benefits strategy or just dig deeper into your data for answers to specific questions</p>	<p>What training do you offer for your data analysis tools?</p> <p>Do you offer any custom reporting services (i.e., design reports for us)?</p> <p>Can you conduct an assessment of our voluntary benefit offerings and participation?</p> <p>What certifications/qualifications do your consultants possess?</p>





# Open Enrollment Planning & Communication

Once your annual benefits offering has taken shape, it's time to prepare your employees to make their elections. Whether you're introducing new medical plans, wellness incentives or voluntary benefits, a smooth and successful open enrollment depends largely on how well you communicate benefit options leading up to the event.



**50% of employees said the pandemic has been a wake-up call to invest more time researching and selecting the best coverage options for their situation.<sup>2</sup>**

Benefits have always been difficult for the average employee to fully understand. They need more than the traditional booklet outlining premiums, copays and deductibles; they need clarity on what their benefit options actually mean for them.

To avoid the confusion that can lead to poor decision making—and an overwhelmed benefits team—during enrollment, you need communication tools that give employees a simple, convenient and engaging way to inform and prepare themselves.

Here's how a benefits technology platform can help position your organization for enrollment success:



Desired Capability	Description	Questions to Ask Vendor
<b>Employee benefits portal</b>	Gives employees one online source for all pre-enrollment communication, education and resources	<ul style="list-style-type: none"> <li>Is the portal accessible 24/7/365?</li> <li>What types of benefits-related content can be presented through the portal?</li> <li>Can the portal be configured to reflect our company's brand and style?</li> <li>Describe any out-of-the-box content, and source of information.</li> <li>Does the portal support custom content generation, publishing and editing?</li> <li>To what extent can content be personalized based on the individual employee?</li> <li>Does the portal support multi-language content?</li> <li>Do you offer any content management services (i.e., set up the portal for us)?</li> </ul>

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2. 2020-2021 Aflac Workforces Report

Desired Capability	Description	Questions to Ask Vendor
<p><b>Educational video</b></p>	<p>Efficiently deliver benefits information in a convenient and consumable format, explaining plan options and simplifying complicated health care concepts with plain language</p>	<p>Do any videos come <u>standard on the portal?</u></p> <p>What topics are covered by videos, and where does the information come from?</p> <p>Do you offer custom video <u>production and delivery?</u></p> <p>How can videos be <u>accessed and presented?</u></p> <p>Do you offer <u>multi-language videos?</u></p> <p>Are we able to track video views on the portal?</p>
<p><b>Messaging center</b></p>	<p>Allows you to create and send personalized enrollment- related content via email or text message to specific employee groups based on various categories including location, managerial level or eligibility status</p>	<p>Describe message generation, scheduling and automation capabilities.</p> <p>Can messages be tailored to specific audiences? How?</p> <p>Through what channels can messages be sent?</p> <p>Can messages be configured to reflect our brand and style?</p> <p>Are you able to collect employee communication preferences to ensure messages are sent via their preferred communication method?</p> <p>Are there any turnkey communications that are available within the messaging center for common life events (i.e. birth, marriage, etc.)?</p>
<p><b>Mobile app</b></p>	<p>Gives employees instant, anytime access to benefits information (coverage details, claims history, account balances, etc.) on their mobile devices while providing an additional communication channel for just-in-time education purposes</p>	<p>Do you offer a native or web app as an <u>extension of the portal?</u></p> <p>Can employees select benefits within the app as part of annual enrollment as well as a result of a life event change?</p> <p>What types of information can be presented through the app?</p> <p>Does the app support <u>video playback?</u></p> <p>Can employees upload verification documents within the app?</p> <p>How is the app accessed?</p> <p>Does the app support push notifications?</p>
<p><b>Consulting services</b></p>	<p>Offer your administrators additional support and best practice consultation for open enrollment preparation</p>	<p>What types of pre-enrollment consultations do you offer?</p> <p>To what extent are support resources trained in our <u>benefits program?</u></p> <p>What certifications/qualifications do your support resources possess?</p>





# Open Enrollment

While a strong, proactive communication strategy can go a long way in preparing employees for a successful open enrollment, benefits decision support shouldn't stop there; it should carry over into the actual enrollment process. Many employees consistently select the wrong coverage for their needs, either defaulting to what they've always had or simply guessing at it. But with the right tools, you can ensure the best possible benefits selection, utilization and value outcomes.

As benefit plan design gets more robust and complex, it's important to keep things simple for employees and create an experience that makes shopping for benefits like shopping for anything else online.

That means providing personalized guidance and decision support, along with educational context, to help employees easily zero in on the options that make the most sense for their needs.

**Choosing the wrong health plan can be a \$2,000 mistake.<sup>3</sup>**

Here's how a benefits technology platform can help provide a more empowering enrollment experience that's easier to navigate:

Desired Capability	Description	Questions to Ask Vendor
<b>Eligibility management and plan packaging</b>	Conveniently provides a single source for employees to select core health and wellness coverage, life and voluntary benefits, and company perks and programs	<p>Can employees enroll in every benefit for which they're eligible, including voluntary benefits and HSAs, through the platform?</p> <p>How is benefit eligibility enforced (for full-time, part-time, variable-hour, retirees, dependents, etc.)?</p> <p>How does the platform enforce HSA/FSA limits?</p> <p>Is the enrollment environment accessible 24/7?</p> <p>Can employees complete enrollment through their mobile devices?</p>
<b>Step-by-step navigation</b>	Guides employees through enrollment with an intuitive, personalized experience based on the enforcement of business and eligibility rules that present employees only with information and tasks that apply to them at an individual level	<p>Does the platform feature a one-thought-per-screen enrollment workflow to prompt task completion?</p> <p>Does the enrollment workflow include mandatory fields, acknowledgments and confirmation statements?</p> <p>How can employees track their progress as the move through enrollment?</p> <p>Does the enrollment workflow include contextual cues for relevant benefits?</p> <p>Can educational videos be incorporated at relevant points in the enrollment workflow?</p> <p>Do you offer chat options to provide on-demand enrollment support?</p> <p>To what extent can our administrators customize the enrollment workflow and content?</p>



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3. Marketwatch.com

Desired Capability	Description	Questions to Ask Vendor
<p><b>Recommendation engine</b></p>	<p>Sorts/filters plans and packages based on employee profile and preferences to simplify the decision-making process</p>	<p>Can the platform capture employee risk preferences and tendencies for plan filtering purposes?</p> <p>What specific preferences/criteria are used for plan filtering?</p> <p>Does the enrollment workflow feature side-by-side plan detail comparison?</p> <p>Can the platform deliver a best-match plan/package recommendation, based on employee input?</p>
<p><b>Data-driven cost estimation</b></p>	<p>Enables employees to predict out-of-pocket costs based on their expected usage and more easily identify plans that fit their personal health care needs</p>	<p>Does the enrollment workflow feature real-time cost estimation when comparing plans?</p> <p>Can the platform integrate national average claims utilization data to help employees estimate costs based on projected usage?</p> <p>Can the platform integrate individual historical claims data to help employees project usage based on past behavior?</p> <p>Are employees able to personalize projected usage and coverage levels to see the impact on expected costs?</p> <p>Does the platform calculate incentives and surcharges based on the employee’s personal wellness choices?</p> <p>How are projected plan costs calculated?</p>
<p><b>Enrollment support services</b></p>	<p>Provides a human touch for employees who need additional help during enrollment</p>	<p>What types of enrollment support do you offer to employees (e.g., benefit detail explanation, navigational assistance, etc.)?</p> <p>Through what channels can you provide support (e.g., phone, email, chat, etc.)?</p> <p>To what extent are support resources trained in our benefits program?</p> <p>What certifications/qualifications do support resources possess?</p> <p>What are the hours of availability for your support resources?</p> <p>Do employees have the option to complete enrollment over the phone?</p> <p>Do you offer multi-language support?</p> <p>Can you provide insight and metrics on your support volume and quality?</p>



## Ongoing Maintenance & Administration

This phase requires the largest time commitment and scope of work. Once employees make their open enrollment decisions, it's time to manage all of the resulting information. You have to make sure that the information is complete and accurate, and that it gets to the right place at the right time and in the right format. You also have to manage the process for any new hires or qualified life events that occur outside of open enrollment. And throughout the year, you have to engage employees in their benefits so that they can get the most from them.

It's a daunting task. There are many variables to track, you're dealing with multiple data sources, and regulatory requirements have added even more

complexity to benefits management. Inefficiencies can abound and the risk of error is high. You need a way to work smarter, not harder, and make sure nothing slips through the cracks.

**HR teams make 34K+ manual adjustments each year due to data exchange limitations.<sup>4</sup>**

Here's how a benefits technology platform can help shoulder the administrative burden of day-to-day tasks, ACA compliance and year-round employee engagement:

### Benefits Administration

Desired Capability	Description	Questions to Ask Vendor
<b>Administrator toolset</b>	Provides a user-friendly way to monitor enrollment progress, initiate tasks and run reports through a central hub for benefits administration	<p>Describe the level of administrative oversight enabled by the platform.</p> <p>Is the administrator environment accessible 24/7/365?</p> <p>Does the administrator environment include data visualization and enrollment reporting tools?</p> <p>Are we able to view data exchanges into and out of the platform?</p> <p>Can the platform automatically notify administrators to complete enrollment approvals and other related tasks?</p> <p>How can administrators view and manage employee support cases and interactions?</p>
<b>Automated task management</b>	Simplifies complex transactions with intuitive workflows and tools for election approvals, life event changes, new hires, etc.	<p>What types of transactions can be automated through the platform?</p> <p>Can benefit elections be approved and transmitted in real time?</p> <p>Describe the process for active employee qualifying life event changes.</p> <p>Describe the process for new hires, terminations, rehires, COBRA, LOA, FMLA, QMSCO, etc.</p> <p>What reports can we run relevant to the above types of transactions?</p>



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4. The Horton Group

Desired Capability	Description	Questions to Ask Vendor
<p><b>Internal system integration</b></p>	<p>Synchronizes enrollment data with your payroll and HR systems, eliminating redundant data updates to process withholdings and payroll deductions for your employees</p>	<p>How does the platform transmit elections/cancellations to our payroll system?</p> <p>Can the platform sync employee data with information in our existing HR systems?</p> <p>Can we set up single login access to the platform through our HR system of record?</p> <p>Can payroll files be set on a frequency to match our pay cycles and processing needs?</p> <p>How are payroll discrepancies managed?</p> <p>How do you help manage, track and notify us of retroactive premium payroll reductions?</p>
<p><b>External system integration</b></p>	<p>Enables you to manage all your benefits in one place by automatically transmitting enrollment information to all of your insurance carriers and other benefit vendors</p>	<p>How does the platform integrate with our core and voluntary benefit providers?</p> <p>Are you able to manage HSA/FSA/HRA within the platform?</p> <p>How does the platform integrate with our wellness vendors?</p> <p>Can the platform support and translate multiple file formats?</p> <p>Are we able to view the status of data integrations to and from the platform?</p>
<p><b>Automated billing and payment</b></p>	<p>Reconciles your enrollment and billing data, automates adjustments and provides flexible payment options to help you efficiently and accurately manage your monthly billing processes</p>	<p>Can the platform automatically generate invoices to submit payment to our insurance providers?</p> <p>Can the platform customize self-bill reports to meet our specific needs?</p> <p>Does the platform enable consolidated billing to present the total amount due for all our benefits in a single invoice?</p> <p>Are you able to remit a single payment across all of our carriers and vendors?</p> <p>What individual payment options are supported beyond payroll deduction (e.g., bank draft, credit card, etc.)?</p>



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Desired Capability	Description	Questions to Ask Vendor
<b>Administrative services</b>	Enhances efficiency through additional human support resources that can provide verification, processing and reporting of benefits-related activity	<p>What types of administrative support do you offer (e.g., life event changes, dependent eligibility, print fulfillment, etc.)?</p> <p>Do you offer HSA/FSA/HRA administration services?</p> <p>Do you offer COBRA administration services?</p> <p>To what extent are support resources trained in our benefits program?</p> <p>What certifications/qualifications do support resources possess?</p>

### ACA Compliance

Desired Capability	Description	Questions to Ask Vendor
<b>Employee notification</b>	Ensures that employees receive the information required to disclose under the ACA	<p>Can employees access their Summary of Benefits and Coverage (SBC) through the platform?</p> <p>Can the platform identify and capture specific reasons employees opt out of coverage?</p> <p>Can we deliver Form 1095-C to employees through the platform and capture electronic acknowledgment from employees?</p> <p>Do you offer paper form fulfillment?</p> <p>What reports can we run relevant to the above?</p> <p>Are employees able to access their tax forms from a mobile device?</p>
<b>IRS reporting</b>	Enables you to provide the IRS with required information about the type of health coverage offered to your eligible employees, the cost of the coverage, the entity providing the coverage and which individuals are enrolled in coverage	<p>Does the platform support Form 1094-C and 1095-C reporting?</p> <p>Does the platform enable electronic transmission of these forms to the IRS?</p> <p>Can administrators view individual and bulk access to forms?</p> <p>Does the platform enable electronic completion of W-2 cost of benefits information?</p> <p>Does the platform support PCORI fee calculation?</p>



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Desired Capability	Description	Questions to Ask Vendor
<b>Automated eligibility monitoring</b>	Enables you to accurately track employee eligibility throughout the year to determine which individuals qualify for coverage	<p>Can the platform calculate look-back periods for our hourly workforce population?</p> <p>Can the platform automatically cancel coverage for newly ineligible employees and automatically notify employees of eligibility changes?</p> <p>How does the platform enforce wait period requirements?</p> <p>How does the platform enforce dependent eligibility?</p>

## Employee Engagement

In addition to the table on pages 6-7, these capabilities will enable you to better engage employees throughout the year.

Desired Capability	Description	Questions to Ask Vendor
<b>Engagement metrics</b>	Enables you to track user engagement activity and obtain feedback from employees on your benefits program, helping you make strategic communication and content decisions	<p>What types of user activity can be tracked through the platform?</p> <p>Are you able to see how often employees engage with the platform?</p> <p>Are you able to track which device and/or operating system is used to access the platform?</p> <p>Can the platform help us survey employees on various aspects of their benefits experience?</p>
<b>Employee support services</b>	Extends your HR/benefits department throughout the year with one-on-one support to give employees the guidance they need to fully utilize their benefits	<p>What types of year-round support do you offer to employees (e.g., benefit detail explanation, life event changes, beneficiary updates etc.)?</p> <p>Through what channels can you provide support (e.g., phone, email, chat, etc.)?</p> <p>To what extent are support resources trained in our benefits program?</p> <p>What certifications/qualifications do support resources possess?</p> <p>What are the hours of availability for your support resources?</p> <p>Do you offer multi-language support?</p> <p>Can you provide insight and metrics on your support volume and quality?</p> <p>Do you offer extended hours during open enrollment?</p>





## COVID-19 Vaccine Tracking & Surcharges

President Biden has called for the Department of Labor's Occupational Safety and Health Administration (OSHA) to develop an "Emergency Temporary Standard" rule that would require employers with 100 or employees to ensure their workforce is fully vaccinated or require any unvaccinated workers to produce a negative COVID-19 test at least once a week before coming to work – or face fines.

While it remains to be seen how this rule will be implemented or enforced, many employers have already made the decision to implement their own vaccine mandate.

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**56%** of employers are requiring proof of vaccination as a term of employment.<sup>5</sup>

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With the uncertainty surrounding pandemic-related regulations, cost impacts and/or return-to-work safety concerns, a benefits technology platform should be flexible enough to enable a rapid response to Federal, state and local laws, rules or guidelines. Here are some questions to ask a potential vendor:

1. What are the options to support tracking of employee vaccination status on the platform?
2. How does the platform collect proof of vaccination from employees?
3. Can the platform be configured to apply a surcharge to unvaccinated employees as part of a health plan premium or direct payroll deduction?
4. Is there a way to track COVID-19 related claims and spending and evaluate the impact on health care costs through the platform?



5. Benefitfocus Survey: COVID-19 Vaccine Tracking & Mandates in the Workplace, Sept. 24, 2021

# Additional Issues to Consider

## Customer Service Model

Acquiring a benefits technology platform is not a simple buyer-seller transaction; it's the beginning of a relationship. You need a vendor that is committed to nurturing that relationship, with an emphasis on communication and transparency. When you know that your voice is being heard, and when your vendor is working to align its priorities with yours, you can be confident in the platform's ability to consistently meet your business needs.



### 1. How will your account be managed after implementation?

You need to know how the vendor plans to provide you with ongoing support, including your account manager and service delivery team. Find out what specific resources will be dedicated to your account, the responsibilities of each and how they will interact with your organization.

### 2. How are upgrades and updates made to the platform?

Your vendor should have an established release cycle to provide you with new platform features and functionality. Be sure to ask about the frequency of the releases and how they're communicated to you, as well the flexibility you'll have in adopting new features.

### 3. Does the vendor offer ongoing training and learning opportunities?

If you're going to invest in a powerful and innovative technology solution, you need to know that your vendor is committed to helping you learn how to use the platform's features to their full potential—as your needs dictate.

Consider a vendor that has a structured learning system with a variety of training options including online, classroom and peer-based learning through local user groups and conferences. Your technology provider should offer training that not only explains how best to use the system, but also provides the latest on industry and regulatory updates as well as opportunities for professional development (continuing education credits, accreditations, etc.).

### 4. To what extent do customers have influence over product development?

A good technology company innovates to align with the evolving needs of its customer base. Your vendor should provide you with ample opportunity to share your thoughts on current functionality and make suggestions for enhancements and additions.

### 5. How does the vendor measure customer satisfaction?

You need to know that your vendor is taking a proactive approach to delivering an exceptional customer experience with the opportunity to capture feedback in real time. Find out what processes the vendor has in place to capture and act on your feedback, as well as what level of transparency you'll have into improvement efforts.

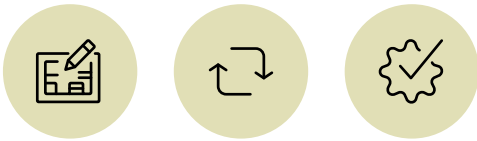
### 6. Does the vendor have a customer engagement portal?

A vendor can optimize your customer service experience by providing a collaborative online environment for you to communicate with the vendor, as well as with other customers. From document sharing and issue tracking to satisfaction surveys and discussion boards, a customer engagement portal can drive efficiency, transparency and innovation to help you get more out of your technology investment.



## Implementation & Renewals

Your organization has a unique set of requirements and variables that must be built into a benefits management system. You need a timely, yet accurate, implementation so your employees can start taking advantage of the new support available to them.



### 1. What is the vendor's implementation methodology?

An experienced vendor should have a proven approach to implementation—discovery, configuration, testing and deployment—to help ensure an efficient and successful rollout of your benefits technology platform.

### 2. What is the makeup of a typical implementation team?

You need to know that your vendor will allocate sufficient resources to your project, and that each component of your implementation will be managed by an experienced professional dedicated to that specific area (e.g., payroll integration, carrier integration, etc.).

### 3. What level of training does the vendor provide in advance of platform deployment?

It's important to understand how the vendor will educate your administrators on the ins and outs of the technology in preparation for the go-live date.

### 4. What percent of the vendor's implementation projects get delivered on time?

Although larger projects may have longer timelines, you want to be sure the vendor consistently delivers on time.

### 5. How does the vendor collect and maintain version control of system requirements?

*(such as premiums, business rules and plan eligibility rules during implementation and renewals)*

Your requirements and business rules are complex and require something more than a spreadsheet to track, especially when employees are counting on you to get it right the first time. Look for a vendor that has a sophisticated online solution to collect, track and reference business requirements.

## Security

When you're dealing with protected health information (PHI), a data breach can seriously damage your company—its brand, its reputation and, most importantly, its people. With such high stakes, you need to know that your benefits technology provider will keep your sensitive information safe, regardless of when, where and with whom it is shared.



### 1. What is the vendor's security philosophy?

A company large enough to handle group data should have a dedicated security and compliance team with documented philosophies on data security and compliance.

### 2. Are there audits or attestation reports on the vendor available (not just a leased data center)?

Many vendors tout their SOC audits, but the audits are conducted on leased data centers. By asking the question this way, you can ensure that the controls and practices of the vendor itself will keep your data safe.

### 3. Has the system been properly hardened?

System hardening protects the usage of the system during critical times of year (i.e., open enrollment).

#### 4. Is data encrypted?

Encrypting data at rest is not a required security control for most data. You should ask because this is an expensive undertaking for the vendor and it shows a commitment to the security of group information under any circumstance.

#### 5. What is the vendor's backup and disaster recovery capabilities?

With natural disasters an ever-present threat, you need to know that your vendor is backing up your data with the most modern techniques available.

#### 6. How strong is user authentication for access?

Many recent large-scale breaches could have been prevented with multi-factor authentication methods. You need to ensure that internal networks (outside of production environments) are safe for your data.

#### 7. What is the scale of investment in security?

Proper security means having a team of employees focused on security year-round. Many smaller organizations lump several of these full-time roles into one or two people. To ensure your PHI is secure, look for commitment in this area.

Enterprise security is a 24/7/365 activity. The security environment changes on a constant basis. You need to know that the safety of your data will be regularly audited by your vendor, its clients and third-party auditing companies.

## Platform Reliability

You wouldn't buy a car if you knew it only went up to 30 miles per hour. Or if it could break down on you at any time. In the same way, you want to make sure the technology you're getting will be fast and reliable. Otherwise you risk at best a frustrating user experience, and at worst a disastrous open enrollment.



#### 1. What is the average system response time?

Perhaps in the days of dial-up internet, waiting 5 seconds for a web page to load was acceptable. Today, consumers expect near instantaneous results when they click something online. Anything slower than 2 seconds is now considered substandard for e-commerce websites, and your benefits technology should not be an exception.

#### 2. How available was the technology during peak open enrollment times and throughout the year?

If benefits technology is a car, then open enrollment is rush hour on the expressway—heavy traffic, high pressure and little margin for error. You need to know that your technology won't fail you during your most critical time of year. Make sure your vendor has a record of minimal unscheduled downtime.

#### 3. How is system performance and uptime monitored throughout the year?

Even if your vendor has a history of minimal unscheduled downtime and a phenomenal response time, you want to know that they're not just relying on that past performance and staying proactive in improving system performance over time. Find out what processes they have in place to monitor system performance, and what their plan is if it dips below anything but outstanding.



## References

One of your best sources for evaluating a vendor is their customers. Be sure to ask for referenceable customers you can reach out to in order to hear about their experience with the vendor firsthand. The following are key items to consider:

- Potential ROI of implementing this solution
- How the solution will improve other relevant metrics (i.e. turnover, productivity)
- Vendor's customer retention rate
- Outcomes achieved by current customers of similar size and scale

## Conclusion

As we release this newly updated guide, employee benefits continue to grow in complexity. With a flexible technology platform that takes a comprehensive, data-driven and user-friendly approach to benefits management, you can simplify today's complexities and face tomorrow's challenges with confidence.

The capabilities outlined in this guide can help you determine if your organization is equipped for effective benefits management year-round, now and in the future. A technology vendor that supports you across plan design, open enrollment and back again, today and tomorrow, empowers you to maximize the value of your benefits program and keep your employees happy, healthy and productive.

### More Benefits Technology Insight

For additional resources to help guide your benefits management decisions, visit [resources.benefitfocus.com](https://resources.benefitfocus.com).

## About Benefitfocus

Benefitfocus (NASDAQ: BNFT) unifies the entire benefits industry through innovative technology solutions that bring efficiency, cost savings and simplicity to employee benefits administration. Our powerful cloud-based software, data-driven insights and thoughtfully designed services help employers, insurance brokers, health plans and suppliers address the complexity of benefits enrollment and engagement, while bringing easier access to health, wealth and lifestyle products through a world-class benefits experience. Our mission is simple: to improve lives with benefits.

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