

# OPEN ENROLLMENT READINESS BENCHMARK

OCTOBER 2018

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

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

**R**eady or not, here comes open enrollment. And while companies are moving toward open enrollment readiness, there are still many that are finding themselves in the "not" category.

Indeed, the overall open enrollment readiness score for employers with 2019 Q1 start dates came in at just 55 in September, according to the latest data collected by *Employee Benefit Adviser* in its monthly Open Enrollment Readiness Benchmark (OERB) survey. While this score represents a 7-point improvement over August, many employers are still struggling to get their open enrollment acts together. To arrive at the scores, the OERB tracks 26 open enrollment activities and asks employers to submit self-assessments of the progress they have made in each.

Some employers have still not completed tasks that theoretically should have been checked off the "to-do" list months ago. Particularly troubling is the fact that the scores for benefit plan design and open enrollment preparation came in at just 80 and 59, respectively. More specifically, about half of all study participants do not deem their organizations as ready when it comes to planning and designing employee communications, reviewing compliance and eligibility issues, setting goals, and documenting processes and procedures.

"Fundamentally, these results should not be any surprise because when you look at the trend line for the last several months, everyone was saying they were getting ready to get prepared, but no one was preparing," said Jack Kwicien, managing partner at Daymark Advisors, a Baltimore-based consultancy that works with benefit advisers to build their practices. "That means that many companies have not yet worked through how they are going to communicate their benefits and what their enrollment options are going to be. At this point they should have answers to all kinds of questions: Are we going to be doing group meetings? Are the meetings going to be mandatory or voluntary? Will we have

one-on-one sessions with benefits counselors? Will these sessions be supported electronically? All of these things should have been decided already."

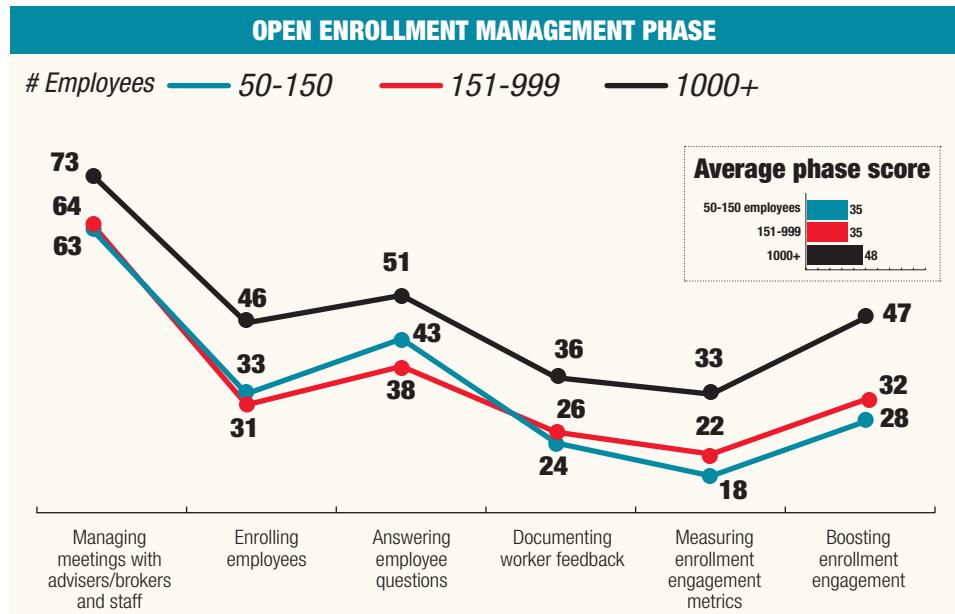
Not surprisingly, many of the individual study participants noted that their current top challenge centers on tying up the remaining loose ends and finalizing benefit offerings as they "finalize decisions on employer contributions" and "finalize all outstanding components."

Managing the open enrollment process is, of course, a pressing concern for employers as well at this point in the cycle. The overall score for open enrollment management was just 45 – meaning that a significant number of employers are not as far along as they should be. While companies earned relatively high marks for managing meetings with advisers/brokers (77), they appear to be behind the curve when it comes to enrolling employees (43), answering employee questions (50), documenting worker feedback (33), measuring enrollment engagement metrics

(28) and boosting enrollment engagement (40).

It's especially important to ensure that employees truly understand their benefit options. As such, individual survey participants noted that they are working on "educating staff on high deductible plans," "educating the newest of our employee population," and "educating regarding plan design."

Such education is vitally important, if employers want to get buy-in to their benefits initiatives. "Even if employers are not offering the ideal benefits package, if employees understand the benefits that are available to them and how to fully take advantage of them, they will feel good about their employers," Kwicien pointed out. "Unfortunately, some employers spend millions of dollars on benefits packages and then dropped the ball and don't communicate with employees. They come into the enrollment period virtually unprepared and then their employees don't even appreciate all the money that is being spent on them." ■



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## The Early Bird Gets a Leg Up on Next Year's Open Enrollment

By gathering feedback now, employers can better prepare for 2019

**W**hile employers might still be in the midst of managing their open enrollment activities, it's never too early to look toward the future.

"Advisers should be working with employers and telling them that the lack of preparation and planning is what's caused this fire-drill and we need to learn from this so 2019 is different. So, even before the open enrollment process is complete, the adviser should be working with employers to get some type of feedback, even if it is just from a small sampling of employees or if it is done on an ad-hoc basis," said Kwicien of Daymark Advisors.

To gather feedback, employers can create a simple follow-up questionnaire that can be

administered to employees after they finish their benefits enrollment. In addition, human resources professionals can simply "conduct informal surveys as they walk around the workplace and interact with employees," Kwicien said. "They can stop and engage an employee for three or four minutes in conversation by asking questions such as: 'What'd you like about this year's benefits? What didn't you like? Do you feel like you understood what your options were?'"

While such surveys will not result in "quantifiable data, they will provide directional data, which is better than not having any feedback at all," Kwicien noted.

Perhaps most important, such informal surveys make it possible for employers to get a better idea of

what might resonate with employees.

"Human resources professionals will develop a sensitivity to what's on employees' minds and language that they should be using to communicate. Employers might discover that their communication efforts are falling short because they are talking past their employee population and are not using the language that employees are comfortable with or that they understand," Kwicien said. "For example, employers might be using jargon, which can be very off-putting. So, they might learn that they have to change the terminology, and the verbiage that they are using so that their target audience, their employees, understand and appreciate what they are trying to communicate." ■

### ASK THE ADVISOR

## Beyond conventional physician office visits

Employers explore medical tourism and mobile care options



**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: We are just completing 2019's roll out now. I've seen lots of data on traveling doctors and patients traveling for less costly surgery and drugs. What are your thoughts on these topics?**

A: Some people are talking about medical tourism, or traveling to see doctors out of the country. It's probably a growing trend, but I wouldn't say that the advisor community

has totally embraced it. I think for expensive procedures and for access to medications that haven't been FDA approved in the United States, it makes sense. But in most other cases, it is not practical.

However, on-site physician clinics or on-site pharmacy clinics offer significant potential. For example, on-site clinics could be implemented at large employer sites such as municipalities, county government organizations or public-school districts. These clinics could result in tremendous savings for the employer and also better care outcomes because employees gain access to medical treatment and to a pharmacy that's convenient.

I am also starting to see some employers offer mobile medical services to their employees. In these situations, a RV-sized vehicle outfitted as a medical or dental office comes to the place of employment once every two weeks or once a

month. The whole premise behind this is to make medical care more convenient for employees. Employees can book an appointment electronically online so they know exactly what time they need to show up. They just walk outside and go into the mobile clinic. They get whatever healthcare they need and they're back to work in a half hour or 45 minutes.

There are also advantages for the medical professionals. They don't have to worry about doing all the marketing that is associated with getting new patients. They just need to focus on delivering quality health care, which is what they really want to do.

This type of mobile healthcare delivery will have a more significant impact than medical tourism. While medical tourism is appropriate in some very specific situations, making it easier for employees to access medical, pharmaceutical and dental care while at work carries more widespread appeal. ■

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EMPLOYERS STARTING BENEFITS IN Q1 2019				
Overall Readiness (as of SEPTEMBER 2018)				55
Phase	Activity	Activity Score	Progress	
Phase 1 <b>Benefit Plan Design</b>	Selecting benefit brokers/advisers	82		
	Selecting health plans	84		
	Selecting voluntary plans	82		
	Selecting pharmacy plans	80		
	Selecting retirement plans	85		
	Selecting wellness plans	65		
Phase 2 <b>Open Enrollment Preparation</b>	Enrollment timing	81		
	Planning/designing employee communications	50		
	Reviewing compliance/eligibility issues	56		
	Setting goals	58		
	Documenting processes/procedures	52		
Phase 3 <b>Open Enrollment Management</b>	Managing meetings with advisers/brokers	77		
	Enrolling employees	43		
	Answering employee questions	50		
	Documenting worker feedback	33		
	Measuring enrollment engagement metrics	28		
	Boosting enrollment engagements	40		
Phase 4 <b>Open Enrollment Design Analysis &amp; Follow-up</b>	Reviewing enrollment engagement metrics	24		
	Reviewing worker feedback	24		
	Soliciting additional feedback	19		
	Reviewing plan design	57		
	Reviewing communications strategy	50		
	Tracking benefit usage	41		
	Reviewing enrollment engagement analytics	25		
	Reviewing/improving the process	34		
	Planning year-round employee engagement	38		

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.

## OPEN ENROLLMENT READINESS BENCHMARK INDEX

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 Make Significant Strides Toward Open Enrollment Readiness

But with open enrollment periods looming, is it enough?

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

### 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>

### 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>

### As open enrollment preparations move ahead, goal setting becomes a key focus for advisers

Working with employers to put the right objectives in place leads to higher plan participation and greater employee satisfaction with the benefits package.

<https://bit.ly/2NZqI9o>

### Benefits pros failing to communicate

But a well-conceived marketing campaign can help advisers dramatically improve their clients' open enrollment outcomes.

<https://bit.ly/2M80wHU>

### With employers lagging on compliance, advisers need to highlight the risks

Substantial IRS penalties and excessive benefits costs make this a high-stakes mission for clients large and small.

<https://bit.ly/2Jk5twU>