



Benetech
benefits • payroll • hr

Develop & Integrate Savings Programs

Benetech achieves savings through simplifying the process and integrating automation.

Client: School District

Number of Covered Lives: Approximately 1,200 Active & Retired Employees

This client currently provides benefits to approximately 1,200 active and retired employees, including three (3) community-rated HMOs (different drug plan for each); the NYSHIP plan; one (1) self-funded dental plan; one (1) community rated dental plan; one (1) vision plan; and, one (1) group life plan.

Prior to our engagement, the District's Payroll staff had been using a completely paper-based enrollment records system. Payroll was also responsible for coordinating all enrollment transactions across multiple carriers; maintaining enrollment information by sub-group (active v. retired; bargaining unit; school; etc.); monthly eligibility/premium reconciliations; and retiree and COBRA billing, including the monthly reconciliation work associated with those activities. District management wanted to simplify and automate the process, which would – in turn – allow Payroll staff to devote more resources to their core responsibilities.

Upon our engagement, we initiated meetings with designated District personnel to gain a greater understanding of the current process, the District's recording/reporting needs, and their "wish list" – the enhancements they would like to see in a new system.

Based on the discussions during those meetings, we:

- ✓ negotiated directly with all of the carriers to gain acceptance of a *universal enrollment form*. As envisioned, this form would allow the subscriber to enroll in all available benefits using just one form, in lieu of having to complete each vendor's proprietary (and mostly redundant) form.
- ✓ designed four (4) such universal forms, which were specific to the different benefits available to each separate bargaining unit
- ✓ built the required group/subgroup structure in our "Benefit Records System", cross-referenced each carrier's electronic enrollment files with the information contained in the District's paper

files, and then populated the required fields in the Benefit Records System for each enrolled subscriber, including all insured dependents

District employees now use the universal enrollment form, and Benetech's staff manages all enrollment activity on the District's behalf, including maintenance of the Benefits Record System, carrier coordination, retiree & COBRA billing, all necessary reconciliation functions, etc. The change from a paper-based system using multiple enrollment forms to our Benefits Records System approach using one universal enrollment form:

- ✓ *greatly simplified the enrollment process for employees and retirees*
- ✓ *met the District's objectives for simplification and automation*
- ✓ *provided District management with reporting capabilities that were totally lacking in the old paper-based environment*
- ✓ *enabled Payroll staff to return their focus to their core responsibilities*

We are currently in the process of implementing our proprietary online benefits management portal, eBenefits Resource™, which will allow all enrollment functions to be conducted electronically.

Initiative	Estimated Savings 2011 - 2012
CDPHP: Negotiated office visit copayment increase with several bargaining units. CDPHP participants changed from \$10 to \$15 copay.	\$163,850
MVP: Negotiated office visit copayment increase with several bargaining units. MVP participants changed from \$10 to \$15 copay	\$29,683
Introduction of BSNENY: District sought a more cost effective plan that offered comparable benefits to the NYSHIP plan.	\$41,376
Group Life: District put Life Insurance policy out to bid, changed carriers to Met Life, duplicated benefits	* \$37,001 <small>* will vary based on volume (salary increases)</small>
Dental: District put dental plan out to bid, changed carriers from BSNENY to Delta Dental. Also changed funding arrangement, from experience rated to self-funded, duplicated benefits.	\$30,000
Total Estimated Savings	\$301,910