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Meshing Culture, Process and People:

Outsourced Benefits Administration Enables HR to Focus on Strategic Initiatives While Improving Service to Employees

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With human resource professionals expected to bring more value-added services to the corporate table, and as competition for recruiting and retaining talent intensifies, it is no surprise that the outsourcing movement is continuing to gain momentum. While cries of “be more strategic” are heard in the boardroom, they’re echoed with the seemingly conflicting sentiment of “don’t compromise service to employees.”

Outsourcing benefits program administration meets the needs of HR professionals. It enables them to be more strategic by alleviating the burden of complex plan administration while actually improving service to employees. Choosing the right partner not only fulfills the administrative requirements, but also serves as an extension to your HR department. The right partner not only is capable of fielding inquiries and resolving issues, but it also is deeply ingrained in delivering quality service to improve processes and meet employee needs.

Along with outsourcing various HR functional areas, companies today are realizing that outsourcing benefits administration to process specialists delivers improved efficiencies, cost savings and a solid return on investment. According to research firm NelsonHall, growth in the global Human Resources Business Process Outsourcing market is being fueled primarily by growth in the North American benefits administration market. This market, expected to more than double in size in the next five years, consists of such benefits as health and welfare, pensions, flexible benefits, and COBRA services.

One reason more companies are choosing to outsource their benefits administration is due to the challenges with varied and complex health care plans and the never-ending flow of HR inquiries from employees. As the drive to consumer-driven health care increases, employees will require more comprehensive support when making critical benefits choices. Benefits-related services are costly and time-consuming; by offloading the burden of administration, HR can gain more bandwidth to focus on more strategic initiatives.

Choosing to outsource benefits administration is a win for both the HR department and the employee. HR is able to take advantage of a streamlined process that eases open enrollment, ensuring it is completed on time and seamlessly coordinated between vendors and providers. Calls into the HR department are reduced because online self-service features enable employees to complete benefits enrollment and resolve inquiries on their own. State-of-the-art technology enhances reporting, and data collected can be analyzed to gain visibility into trends or plans that better resonate with the employee population.

For the employee, outsourced benefits administration means

an improvement in service, enabling more educated health care decisions. Information is more accessible, and easy-to-use online applications improve the enrollment process by enabling participation at a time that is convenient for employees.

Many employers offer a range of plans. An outsourced services provider can deliver robust decision support tools such as out-of-pocket expense calculators and side-by-side plan comparisons to ease open enrollment and assist employees with benefit choices. In addition to increased accessibility to benefits information for employees, 24-hour customer service also can improve the employee experience by delivering around-the-clock access to personalized help when employees are making benefits decisions—all the while reducing calls into the HR department.

For some people, outsourcing still may carry the stigma of relinquishing control and possibly introducing a language barrier when call centers are involved. For others, they recognize outsourcing partnerships as a viable means to streamline processes and deliver better quality service to their employees.

A benefits administration provider with a U.S.-based call center does not need to worry about accent neutralization training because representatives speak in dialects similar to employees, enabling the outsourcing activity to go unnoticed by employees. With highly trained representatives that are knowledgeable about the nuances of company benefits programs, employees have access to phone counselors who work as an extension of the HR team to diligently provide accurate responses to questions and detailed resolution of problems. Through the customer service center, employees gain 24/7 access to technical support and accurate, consistent information about a broad range of HR and benefits issues, including enrollment, eligibility, COBRA/HIPAA management, flexible spending account inquiries and more.

A successful outsourcing partnership relies on synergistic meshing of culture, process and people. Combining state-of-the-art technology with service center best practices, outsourcing delivers real value by removing the complexity of benefits program administration while improving service delivery to employees through easy-to-use applications and knowledgeable support. **BCS**

Want to discuss this topic with Daryl Ashley? Go to our Web site at www.bcsolutionsmag.com and click on his "Ask the Experts" link.

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