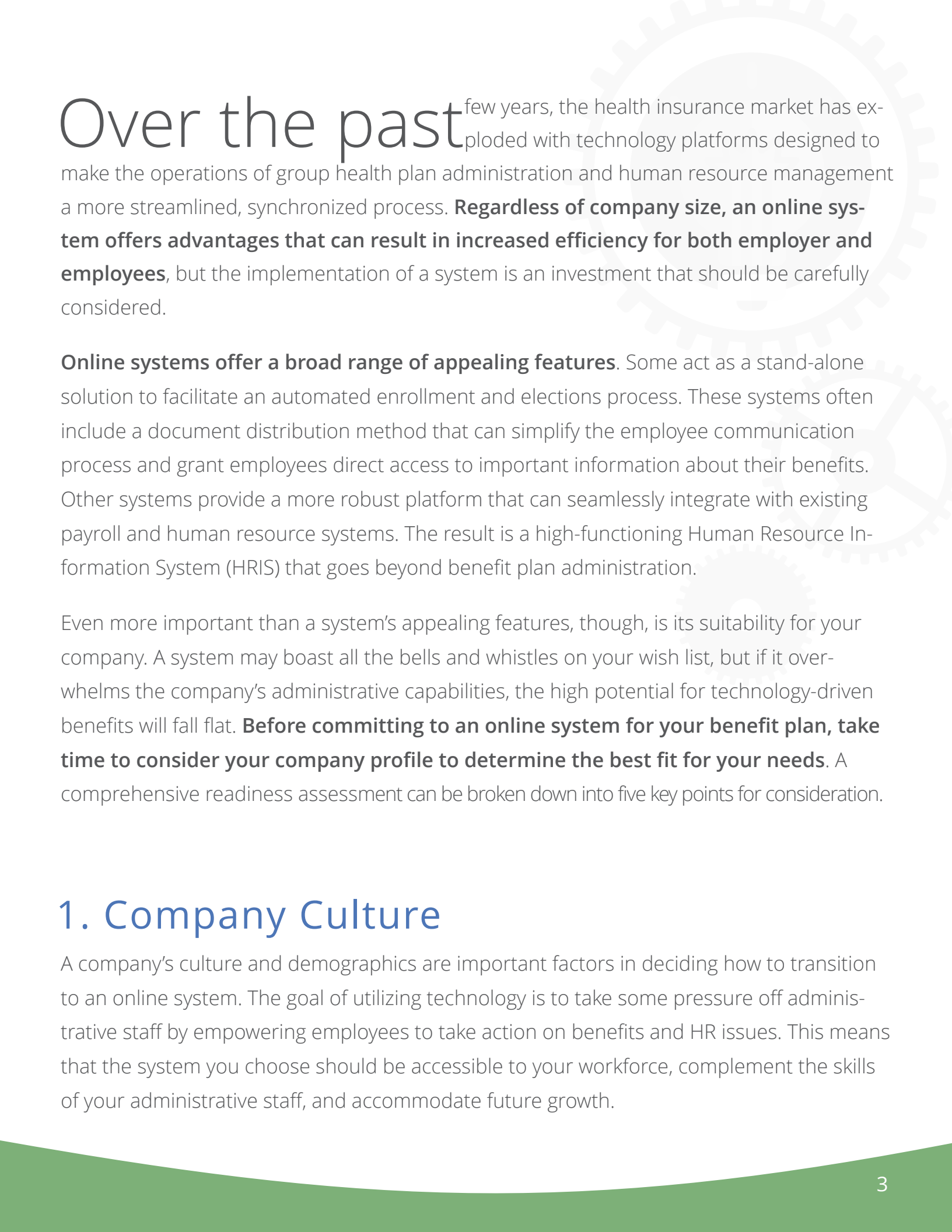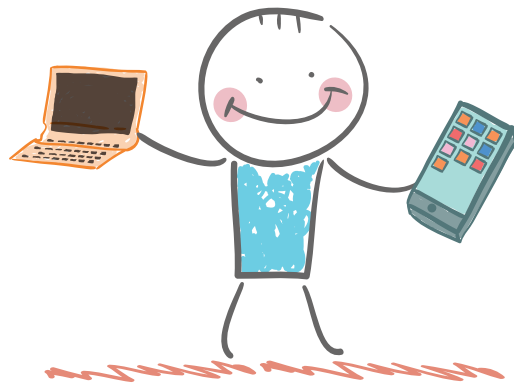# TECHNOLOGY READINESS ASSESSMENT

SOLUTION TOOL

TECHNOLOGY AND YOUR BENEFIT PLAN

Over the past few years, the health insurance market has exploded with technology platforms designed to make the operations of group health plan administration and human resource management a more streamlined, synchronized process. **Regardless of company size, an online system offers advantages that can result in increased efficiency for both employer and employees**, but the implementation of a system is an investment that should be carefully considered.

Online systems offer a broad range of appealing features. Some act as a stand-alone solution to facilitate an automated enrollment and elections process. These systems often include a document distribution method that can simplify the employee communication process and grant employees direct access to important information about their benefits. Other systems provide a more robust platform that can seamlessly integrate with existing payroll and human resource systems. The result is a high-functioning Human Resource Information System (HRIS) that goes beyond benefit plan administration.

Even more important than a system's appealing features, though, is its suitability for your company. A system may boast all the bells and whistles on your wish list, but if it overwhelms the company's administrative capabilities, the high potential for technology-driven benefits will fall flat. **Before committing to an online system for your benefit plan, take time to consider your company profile to determine the best fit for your needs**. A comprehensive readiness assessment can be broken down into five key points for consideration.

1. Company Culture

A company's culture and demographics are important factors in deciding how to transition to an online system. The goal of utilizing technology is to take some pressure off administrative staff by empowering employees to take action on benefits and HR issues. This means that the system you choose should be accessible to your workforce, complement the skills of your administrative staff, and accommodate future growth.

How comfortable are your employees with using technology?

Do employees have regular work-related computer access and a corporate email account?

Is your administrative staff confident in their ability to learn and manage a new system?

How many employees work for your company, and is there high turnover?

Is your company part of a controlled group?

What percentage of employees conduct work off site, such as telecommuting, working at a client site, or traveling for business-purposes?

How many full-time, part-time and seasonal employees does your company employ? How many employees are salaried vs. paid an hourly rate?

What language do the majority of your employees speak?

What is your company's short-term projected growth?

2. Benefits and Administration

The primary function of an online system is to automate the process of benefit plan administration. Your company's benefit plan design, participation rates, and current administrative practices will dictate which system your staff and employees will best respond to.

What current benefit processes, such as enrollment and mid-year election changes, may be disrupted with the implementation of an online system?

Are files related to benefit plans and/or human resource administration maintained in hard copy, electronically, or some combination of both?

What percentage of your employee population participates in your group health plan?

Does your company offer any benefit plans that bundle together two or more lines of coverage, such as medical coverage bundled with dental coverage?

Are your group plan's premiums and/or contribution rates on an age-banded rating structure?

How important a factor is insurance carrier integration to choosing a system?

3. System Integration

Some technology platforms include functionality that goes beyond benefit administration to encompass payroll processes and workforce management. Systems that lack these features may be able to integrate with your existing systems, while others have no integration capability. You'll either need to be flexible about uprooting current systems, or find a platform that works with your current practices.
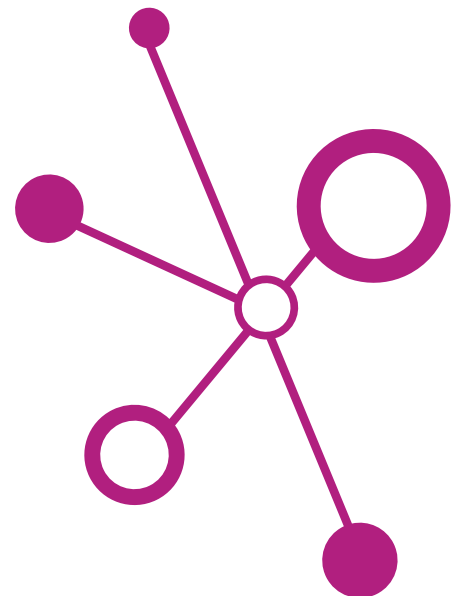
How do you manage employee time and attendance?

How satisfied are you with your current payroll system?

Do you want a system that will facilitate aspects of human resource management such as scheduling, performance reviews, and record-keeping?

Are there any other systems such as project management software or internal communication processes that could also be incorporated into your technology platform?

4. Compliance Management

Most online systems are up to speed with features that help employers navigate growing compliance complexities, but it's important to identify the specific compliance-related needs of your company. If your company is subject to the Affordable Care Act's employer shared responsibility provisions, you'll need a system that can track employee eligibility and offers of coverage, and that can complete required IRS filings. Alternatively, if your company isn't subject to these provisions, a system with such compliance features will go largely wasted.

How does your company track and manage employee eligibility for benefits?

How does your company complete ACA-related IRS reporting under Sections 6055 and 6056?

Does your company have in place HIPAA Privacy and Security policies?

Does your company have an effective method in place to distribute all state and federal required notices to group health plan participants?

How does your company comply with applicable record retention rules?

5. Broker Support

Technology platforms are designed to be interactive and user-friendly, but the process of system implementation and ongoing maintenance can easily overwhelm even the savviest

employer. Your group benefits broker can be either an invaluable asset to you throughout this endeavor, or your biggest obstacle.

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How knowledgeable is your broker on the incorporation of an online system to your group health plan?

Is your broker flexible to work with the system of your choice, or is your broker limited to a single, one-size-fits-all platform?

Does your broker maintain strong relationships with various vendors of online systems?

What kind of ongoing support will your broker provide once the system is up and running?

Is your broker able to utilize data generated by an online system in order to make recommendations for improving your benefit plan design?
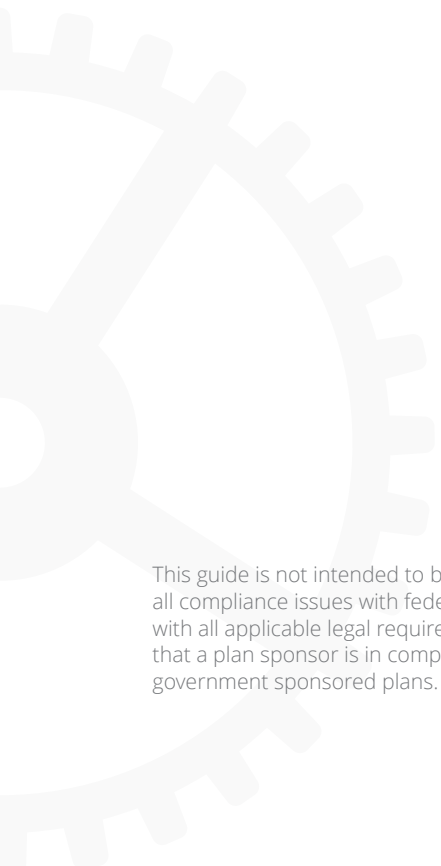
With these considerations in mind, you will be prepared to evaluate an online system's compatibility with your company. Take the time to explore a system's features and functionality, and ask for critical feedback from those within the organization who will be tasked with managing the new system. A thoughtful approach to the selection of an online system will ensure that your company's transition to technology is smooth and efficient.

At Filice, our philosophy on incorporating technology into the benefit plan is that a one-size-fits-all approach simply doesn't work. We draw on our industry expertise to find the online system best suited for each client's unique needs, and we work closely with our clients to guarantee a successful system launch. Most importantly, our benefits consulting services are enhanced – not diminished – by the presence of an online system.

We continue to serve as a trusted partner to clients by providing proactive solutions to further overall business growth and development. Experience the difference with Filice Insurance.

We Deliver. You Benefit.