

THINKING OUTSIDE THE OPEN ENROLLMENT BOX

The key to a superior open enrollment, more informed decisions and better outcomes lies in disrupting this annual benefits rite

Written By Bruce Shutan

For self-insured employers, industry observers say investing in the best point solutions on the market will never pay off without a well-run open enrollment and education campaign that explains health benefit plans with clarity and brevity through multiple channels.

As part of that annual rite, they must be willing to ditch longstanding practices for novel approaches that will help employee populations better absorb the information being shared. Only then can they expect a substantial return on their investment in the form of wiser benefit selections, higher satisfaction and better outcomes.

One way to ensure that the OE experience turns out to be efficient and meaningful for group health plan members is to think about it in terms of addition by subtraction. That means avoiding piles of paper-based communications, lengthy cookie-cutter presentations, clogged email inboxes, long signup periods, a Monday start and 1/1 effective date, says Eric Silverman, founder and owner of Voluntary Disruption, a division of the Silverman Benefits Group.

Instead, he suggests more nimble strategies that are better suited to the needs and preferences of today's workforce. While many employers announce open enrollment with an email blast, Silverman believes the little red dot showing people that they have a text message waiting to be answered on their iPhone or Android mobile device will capture their attention much quicker.



Eric Silverman

That's not to say employers shouldn't send an email, which can end up in a spam folder or pile up with unanswered correspondence. His recommendation is to pursue an omni-channel approach when it comes to communications.

Silverman laments that employees and their families are being asked to make key decisions about their benefits in a vacuum over the course of several weeks with very little to no support. "I'm a big believer in communication using the remote control of everybody's daily life in the year 2026 and moving fast into 2027, which is their smartphone or mobile device," he says.

Justin White, a producer and regional managing director for employee benefits at Oakbridge Insurance, believes there's real power in harnessing how comfortable people are with texting. His firm offers its employer clients access to an employer-sponsored virtual telehealth service called TextCare wherein users have direct access to providers without downloading an app.

VIDEO SLAYS THE EMPLOYEE HANDBOOK



Justin White

Weighing the benefits of in-person vs. virtual meetings, Silverman suggests more of a hybrid approach that favors the latter at a time when nearly everyone has a smartphone, tablet or laptop that allows them to join various video-conferencing platforms. They're also easier to schedule, can be recorded for later viewing with family members and help increase attendance.

"They don't have to be on video," he hastens to add. "They can dial right in on the phone and listen on their own timeframe."

The way materials are communicated is one of the most important considerations. Many of the benefit packets employers print that run dozens of pages often end up left behind on conference tables, tossed into trash cans or recycle bins at in-person meetings, Silverman explains, noting how that investment wastes dollars that can be spent more wisely and help save trees.

White recalls how he reacted to receiving a 12-inch-thick packet of information with summary plan descriptions and other documents in his first job after graduating college.

"It was way too much information for me to comprehend," he says. "Knowing I had a limited time to enroll and nobody to explain it to me, I took the most expensive of everything because I figured that meant I had the best coverage."

That anxious experience served as a teachable moment years later when White became an employee benefits consultant and decided to promote a concise benefit guide for every one of his employer clients at open enrollment.

One example of more effective communication that reflects current practices is to record bite-sized video clips that are hyper-focused on each benefit being offered with their own links. That way, Silverman says, someone can click only on links that they find relevant. "Why should we make an employee scroll and suffer through a video that's an hour long because they want to hear the minute-and-a-half clip on how pet insurance works?" he asks.



Delene Lee

90 Degree Benefits is now looking into producing short video presentations that HR teams can use when they're onboarding new hires because some field reps for many groups wear multiple hats and benefits are not their forte, reports Delene Lee, the third-party administrator's manager of account management.

SHORTER IS SWEETER

A shorter OE will turn out to be sweeter for employers and employees alike, according to Silverman. Allowing employees up to an entire month for their benefit selections is far too long, he warns. He has noticed a familiar pattern emerge in each enrollment his firm handles: type-A personalities who decide what to do on Day One, little to no movement over the remaining enrollment window and a flood of procrastinators making decisions on the very last day.

"Think of the time and aggravation you could save by confining open enrollment to just one week," Silverman suggests.

The start date is also critical. Noting how Mondays tend to be chaotic for everyone, he suggests starting on Tuesday, Wednesday or Thursday, running it to the following week and providing one full weekend in the middle so employees can sit down with family members and decide together on what coverage they want.

Silverman recommends being more thoughtful and daring about the actual timetable. Estimating that as many as 70% of all benefit selections take effect on January 1, he says it's better to avoid the Q4 madness altogether by picking an off-peak target date. "We brainwashed employers into thinking that everything has to be clean," he opines. "It's absolutely untrue."

Far too many employers believe their benefits need to take effect on January 1 because most of the fully insured carriers have calendar-year deductibles, observes Lee, whose clientele has plans that renew every month of the year.

There are also 30-day windows prior to and following the effective date for the open enrollments she handles to correct any errors or oversights or respond to eligibility changes. Allowing enough time to plan for open enrollment cannot be overstated, according to Lee, who says staffers and employees alike should be notified through email, posters, or flyers typically two months out.

While a truncated timetable may force employers to be more efficient about the OE process, it may have an adverse effect on the results. When traveling to multiple locations for in-person open-enrollment meetings is involved, Lee says there's typically going to be a longer window for employees to select their benefits. But allowing enough time can produce a better outcome.

"The experience works better for the employees if they have somebody that's actually there talking to them because they're more likely to ask questions and get a better feel for multiple plan options," she says, explaining that sometimes a TPA rep will do a joint presentation with the employer's broker for greater impact.

RAISING RETENTION

Putting more effort into open enrollment not only can increase employee engagement and improve coverage choices, it also can help raise retention. But benefit leaders also note the importance of better onboarding of new hires to combat high turnover.

Lee cites as an example a large group she works with that every year devotes tremendous effort into distributing posters and flyers, conducting webinars with managers and training all the HR field reps.

"When we go out and talk to all the employees at their brand-new stores, enrollment skyrockets," she reports, noting how meetings featuring proper communication can help move the needle on enrollment. "They also have a lot of turnover. So, as employees are being hired, that same effort is not going into the new hires because they don't have that level of communication, and enrollment starts to drop off again."

She says the key isn't just communicating at open enrollment – it's also what employers do with their new hires throughout the year and informing them well enough to keep enrollment consistent.

A mechanical contractor White worked with about 10 years ago wondered why health plan utilization was so low among its blue-collar workforce spread across the Southeast – even with the right tools in place. A real worry was surfacing that a $3 million a year investment was being squandered.

Upon closer review, the company decided to require that all employees attend a meeting to help them become better healthcare consumers – stopping short of tying eligibility for coverage to their attendance and instead incentivizing them to be there with financial rewards.

As part of that effort, he explained to employees that they would not incur any out-of-pocket costs for choosing preferred imaging and outpatient surgical centers, as well as other facilities and exclusive avenues for obtaining specialty medications.

"The key takeaway for any employer that is self-insured is to have a cadence with whoever represents you in the market to review your data and understand what new solutions are out there," White says.



An emerging tool for helping with open enrollment is the use of artificial intelligence, which can help not only with decision support but also create video presentations using a company HR director's likeness and voice, White explains.

AI illustrates the advantages of technology in helping craft creative, compelling and informative messaging. But despite these advances, he says there's still a need for concierge services or some sort of advocacy for health plan members who face a multitude of challenges related to medical care, surgical procedures or medication management.

"No video is going to explain that, and it's too much weight on an HR team," he cautions.

Whatever medium is used, experts agree that self-insured employers and their vendor partners need to explain health benefits within a larger context. White tells clients all the time to approach OE in terms of handing their employees a credit card with a cap on spending that depends on where they set the retention on their stop-loss.



"Everyone is trying to figure out how to educate their employees to be better consumers with that credit card," he says, noting the importance of explaining why costs keep rising, especially to high utilizers of healthcare, so that they have a better understanding about what's happening and appreciation for their benefits.

Another strategy is to crack down on basic practices. One common problem Lee encounters is the prospect of careless errors, which can prolong open enrollment. "If employees are going to be covering their dependents, make sure they have the full name with the proper spelling, date of birth and Social Security number," she says. "Most often, that's one of the things that delays the open-enrollment process."

Bruce Shutan is a Portland, Oregon-based freelance writer who has closely covered the employee benefits industry for nearly 40 years.