

B8595HC
2. E56-7
Copy 1

Employee Insurance Program Employee Benefits Services- Online Paperless Process

McKenzie James

State Budget and Control Board – Division of Insurance and Grant Services

February 2, 2009

S. C. STATE LIBRARY

AUG 14 2009

STATE DOCUMENTS

Problem Statement

I chose to provide analysis and suggestions for improvements to the Employee Insurance Program's (EIP) EBS and MyBenefits website as EIP moves forward into the next phase of online enrollment. I also want to better understand what the needs of the user's are and how the online program can be adapted to better meet those needs.

This project aligns with the agency's Quality Customer Service and Products and Innovation values. The quality customer service and products values states, "We consistently provide outstanding products and excellent customer services, as defined by our customers, and we strive for continuous improvement." In developing this online tool the underlying goal is to develop a product that will enhance the customer service being provided to the customers of the agency which are the benefits administrators and subscribers. The innovation value states, "We are receptive to and flexible with the changing environment and the evolving world of technology. We welcome challenges, embrace innovation, and encourage creativity." With the development of the Employee Benefits Services (EBS) website the agency has shown a desire to tap into the ever evolving world of technology to enhance the way business is done. As the customer service world demands faster more efficient ways of doing business EIP is adapting to meet those needs.

In the last five years the Employee Insurance Program (EIP) Subscriber Services has moved to change the work environment processes to more closely utilize the current technology that is available in the business world. The ultimate goal is to continue to provide excellent customer service to our Benefits Administrator's (BA's) and subscribers of the insurance program while giving them the authority to manage their own benefits. This move to further incorporate technology into the work processes has taken place in several phases:

Employee Benefits Services (EBS) Phase I – “An online application used by BA's around the state for accessing insurance information about employees in their employer group. The system also allows for entry of Supplemental Long Term Disability salary data updates during October, subscriber inquiry, refund entries, viewing reports generated by EIP and electronic enrollment.” (EIP 2006 BA Manual, L3) “During the first phase, users were able to enroll subscribers and/or change their enrollment and personal information.” (EIP BA Manual 2006, L4). During this first phase the BA's were limited to only a few of the many transactions that take place daily with the insurance benefits; thus it accounted for about 2% of the daily transactions. (See Appendix A)

EBS was available to BA's starting in 2005 but only 2% of the normal daily work was completed using the new system while 98% still preferred the paper notice of election form. During the 2005 Annual Insurance Enrollment those statistics changed somewhat. Of the almost 58,693 transactions 22% of them were done using the EBS system. (See Appendix A) Using EBS expedited the enrollment process overall and reduced some of the common errors associated with completing a notice of election form such as: entering partial data, processing errors due to eligible hand writing, and making invalid elections. The BA's showed a willingness to use the new tool, however, the process still involved a large amount of paper being printed and

mailed which was a complaint of the BA's. With EBS Phase I the employee had to rely on the BA to enter the correct data and mail the signed summary of enrollment or change into EIP in the allotted time for the employee's insurance request to be completed.

With EBS Phase II Release 1, subscribers were able to access, make changes to and control their benefits information. These changes were made using a new website introduced by EIP called MyBenefits. MyBenefits is a new more convenient way for subscribers to manage and access their benefits 24/7. Subscribers were first able to make changes to their life insurance beneficiaries, update their contact information such as (address, phone number), and were able to view an up-to-date insurance benefits statement. Once the subscriber made a change using the MyBenefits website that information was updated immediately at EIP and their BA was notified on their groups EBS page.

Release 2 of EBS Phase II revolved around the active subscribers being able to make their own Open Enrollment changes using the MyBenefits website. Open Enrollment occurs in October of odd-numbered years and is a time when subscribers can make any changes to their different benefits as well as add or drop eligible dependents. With Release 2 the employee was able to register and log-in to their own MyBenefits account during the month of October and make their Open Enrollment changes. The subscriber electronically signed off on the changes with the last 4 digits of their social security number. The new phase eliminated the need for paper documents to be sent to EIP except in certain circumstances where the rules required it. The BA's were still able to manage their employees benefits because any changes made through the employees MyBenefits account were sent directly to the BA's EBS console for approval and printing of needed documentation. In the 2007 Open Enrollment, 16,309 (26%) transactions were done using MyBenefits and 11,876 (19%) transactions were done using EBS. A total of 45% of

Open Enrollment Transactions were done using the new web based technology. (See Appendix A) These statistics show willingness by both the subscribers and the BA's to use the new technology. The new process cut the amount of time it took for EIP to complete the processing of the subscribers request because most of the transactions were updated automatically by EIP and at the different insurance vendors that EIP contracts.

The next and most recent Phase of EBS implemented was called Paperless EBS. The goal of Paperless EBS was to make the EBS transactions entered by the BA paperless. The BA would initiate a transaction on the subscriber's behalf through the current EBS system and would be given a new option to send it to the employee through the MyBenefits website for an electronic signature instead of printing the necessary documents and getting an actual signature by pen. Once the BA submits the transaction they would need to notify the employee to log-in to their MyBenefits account to review the transaction where they would be given the option to electronically sign or return the transaction to their BA for editing. The only time this method isn't truly paperless is when the subscriber is required to submit some form of documentation to EIP based on current program rules. With Paperless EBS even when submitting documentation is necessary it is substantially less paper than was previously required, because only the actual documents and a computer generated cover sheet are required to be sent to EIP. Paperless EBS was first rolled out during the October 2008 Annual Enrollment period. In the 2008 Annual Enrollment 11,265 (44%) transactions were done using MyBenefits and 3,990 (15%) transactions were done using EBS. A total of 59% of transactions were done using one of the electronic methods available while only 24% used the paper method. The 2008 Annual enrollment numbers reflects an almost 20% drop in paper notice of election forms and a shift toward web based enrollment. (See Appendix A)

Data Collection

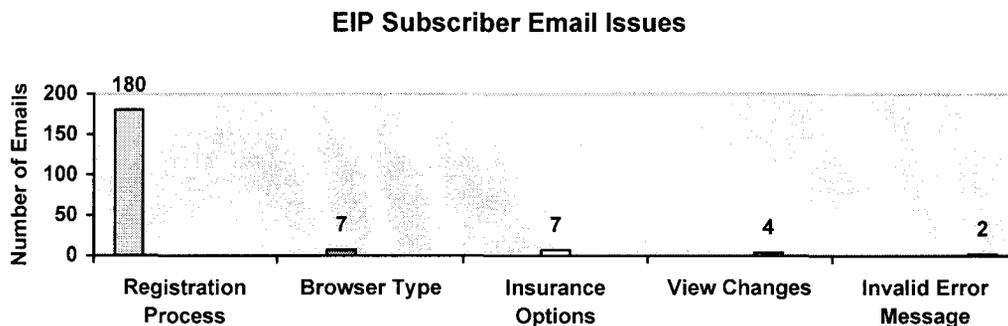
When the subscriber driven website MyBenefits was developed, a “contact us” link was made available on the site so that the public could have an avenue to customer service without having to pick up the phone. This online customer service provides answers to inquiries by email and telephone when necessary within 24 hours during the agencies normal business hours. Subscribers not only submit questions through this tool but also provide feedback on what they do or do not like, features or enhancements they would like to see, and areas of difficulty within the website. For this project I have collected a random sample of two hundred emails from the two thousand nine-hundred twenty-six that were submitted by subscribers during the annual enrollment month of October to see what areas subscribers found most difficulty with and any suggestions or comments they may have for EIP. Along with feedback from the subscribers I created a Web-based survey for the BA’s at state agencies, local subdivisions, and higher education facilities. (See Appendix B) The survey invitation was sent by email to all state groups who have an EBS login. The BA’s were given a three week period to respond and complete the survey online. The eleven-question survey asked BA’s to rate how they feel about the design, ability to navigate, ease of use, and if they have support when needed for the website. The last two questions on the survey were optional and allowed for the BA’s to provide comments on enhancements they would like to see as well as suggestions regarding the EBS system.

Lastly, I had clean up reports run at the end of the annual enrollment period showing the transactions types where errors occur most frequently based on past enrollment data. These

reports help to determine the efficiency and accuracy of the system as well as identify possible problem areas going forward. Some of the reports include transactions that require college student certification, subscribers who changed from the Medicare Supplemental Plan to any other plan, adding or terminating dependents, and more than one transaction with the exact same data.

Data Analysis

After pulling and reviewing a random sample of two hundred emails from the two thousand nine-hundred twenty-six submitted by subscribers through the MyBenefits Contact Us link the five most common issues of those sampled were subscribers having issues with the registration process, not being able to use the Safari browser type on a Mac computer, not being able to see the changes made immediately, understanding what insurance options are available to be changed during enrollment, and getting an error message that states the subscriber has a pending transaction when they really do not.



Out of the five most common issues, 90% of those subscribers had issues with the registration process. Those issues ranged from subscribers being locked out of their account

because they entered the incorrect password too many times, entering the incorrect answer to their security questions, forgetting their required benefits identification number, and entering a name other than their legal name. Subscribers also felt the registration security questions were too difficult to remember, unrealistic, and not something the average person would remember.

The current security questions used in MyBenefits are compiled from a list of most commonly used questions by other companies with online access. To help simplify the registration process it would be possible to get a new pool of security questions and restrict the type of answers that can be provided to make it easier to remember. Another option to simplify the registration process would be to have the subscriber's password emailed to them if they forget and answer one security question or no security questions at all. To alleviate the issue with entering a name other than their legal name it would be possible to add a message alerting the subscriber to enter their name as it appears on their insurance card.

The agency has already taken steps to help curb the issue with the Safari browser type not working, by adding a message on the homepage alerting subscribers what browser types will work with the website and giving those with an unsupported browser type the option and instructions for downloading a browser that will work. Subscribers also expressed that they are often confused when they make a change to their insurance and submit it and try to look at that change they just made. Currently, if you remain logged into your account after making a change you will only be able to see the old data. One option to resolve this issue would be to have the system automatically log the subscriber off of the website after submitting the change and prevent them from viewing the old information. Another possible resolution to this issue would be to present the subscriber with a message after they have submitted their change alerting them that the change made will not be immediately updated.

Subscribers also voiced a lack of understanding what change options are available to them during the enrollment period. Subscribers were unsure why they were limited to certain changes this past year when in 2007 they were able to make changes to any benefit they chose. To ease the uncertainty, during the enrollment period the system restricts the subscriber to only those changes that are allowed. MyBenefits also has a help link which provides both a written and audio tutorial that provides the subscriber with information on all options available to them. To bring attention to this informative feature it may be possible to add a reminder on the MyBenefits homepage highlighting this feature.

The final widespread issue subscribers reported was a message they received when attempting to sign in to their account to make changes that states, "You have a pending transaction in the EIP system; you may not make changes until the pending transaction is completed. Please contact your Benefits Administrator for additional information". This issue was especially frustrating to subscribers because they had not actually made any transactions and were being forced to contact their BA's to make changes they should have been able to make themselves. Not being able to make their desired changes online resulted in the need to complete these changes by paper which slowed the process of the changes being made while also raising the error rate. It has been determined through research that the cause behind this issue will require further research by the IT staff along with programming updates to the MyBenefits system.

The web-based survey was sent out to five hundred forty BA's with over two hundred responding (40%) during the allotted three week time period. The results were as followed:

- 96% of BA's who responded either strongly agreed or agreed when asked if the EBS system and MyBenefits website met their needs and or requirements.

- 94% of BA's who responded either strongly agreed or agreed when asked if they have confidence in the EBS system and MyBenefits website working properly when used.
- 93% of BA's who responded either strongly agreed or agreed when asked if it was easy to check the status of a transaction in the EBS system or MyBenefits.
- 96% of BA's who responded either strongly agreed or agreed when asked if they liked the layout and design of the EBS system and MyBenefits website.
- 91% of BA's who responded either strongly agreed or agreed when asked if using the EBS system and MyBenefits saved time when compared to using a Notice of Election form.
- 97% of BA's who responded either strongly agreed or agreed when asked if the information displayed on the EBS/MyBenefits website is accurate.
- 90% of BA's who responded either strongly agreed or agreed when asked if they were able to make their needed changes using the EBS/MyBenefits website
- 95% of BA's who responded either strongly agreed or agreed when asked if the customer service representatives were able to resolve their technical concerns in a timely manner

Based on the answers provided by BA's on the survey it can be concluded that the current system meets the basic needs and has a favorable layout and design. BA's also have confidence that the information that they see on the website is accurate and can be trusted. An overwhelming majority also agree that they have the support needed whenever a technical issue occurs however there is room for improvement when it comes to the ability to make the changes that are needed through

the EBS and MyBenefits system. The two open-ended survey questions give more details into how BA's feel about the systems and what changes or upgrades they would like to see going forward.

In response to the open-ended question "what types of transactions would you like to see added to the EBS system or MyBenefits website," forty-two BA's responded. Some of the responses are that they would like to see the following changes 1) Ability to enroll and terminate retiree and cobra accounts; 2) the employee's date of birth to appear on the summary of change form; 3) ability to change or correct dates of birth's and social security numbers; 4) the spaces where you enter dates to automatically tab over; 5) an easier registration process for MyBenefits, and; 6) a recent activity log with the last ten transactions completed.

In response to the open ended question for any comments or suggestions regarding the EBS or MyBenefits system fifty-eight BA's responded. Some of the responses are; "the solutions to problems that arise from EBS are usually the most unrealistic decisions that can be made-it seems as if everything is made to be as difficult as possible-never a common sense approach", "bring back the BA comments printed on the SOC like it was on the original SOC's", "add a transaction progress bar on MyBenefits so the subscriber knows when the transaction is finished and no steps are missing", "great resource for information", "we are pleased with the EBS and MyBenefits system and are grateful for advancements in technology", "many of our employees have a difficult time registering thus making the wait time greater to get a transaction done", "add more change options to the EBS list", "eliminate the back and forth emailing process or communicating by phone to see if coverage is correct", "use less paper-print front and back so fewer sheets of paper are used", "get rid of the change date on the SOC it is confusing".

The clean up reports used were run after all annual enrollment transactions were completed and processed by EIP's systems. The reports used were able to catch errors such as dependents being listed more than once, students being terminated or certified that should not have been, coverage such as dental plus being added when it was not an option, invalid levels of coverage, and transactions not showing up at EIP that were processed by the subscriber. All of the issues that were captured through these reports had the potential to; affect the accurate billing of these subscribers and their work groups, affect payment of claims for subscribers and their dependents, add or terminate benefits a subscriber is unaware of, or ignore a change made altogether. These reports were able to catch these errors before they became a problem. All of the errors identified were either manually corrected or systematically updated prior to the changes going into affect January 1, 2009. Several of these errors allowed the IT staff to identify some problem areas with the programming and to make the needed updates to the system immediately. The items that were manually corrected will require further research and testing by EIP's operations and IT staff to determine a way to implement those updates systematically.

Recommendations:

After reviewing the emails submitted by subscribers I would recommend changes to the current MyBenefits registration process. The number of security questions can be reduced from four questions to three reducing the chance of errors while maintaining the security of the site. The current pool of security questions needs to be revamped to include questions that have more unambiguous answers. The IT and Operations department can research similar websites and put

together a pool of security questions and agree on which questions to implement. Going forward into the next phase of online enrollment, EIP should have a system in place where the email address of the subscriber can be captured and, instead of requiring the user to answer a series of security questions, the password could be emailed to the subscriber directly when they forget it. It will require discussions between EIP's operations and IT staff to implement such changes. Reducing the number of security questions and possibly changing the pool of questions can be done in the more immediate future; however implementation would be based on research and testing time. Ensuring the preservation of the security of the site due to the sensitive nature of the data will be essential if any of these recommendations are to be implemented.

Recommendations have already been made by current staff to resolve the subscriber confusion when making a change and not being able to immediately view it. The most effective method would be to automatically log the subscriber off of the website after submitting a change thus preventing them from viewing the old information. The subscriber would not be able to gain access to their information until the change has been updated. This enhancement to the site will require programming changes by the IT staff and testing by the operations department. With other operating issues on the forefront this type of enhancement, while important, would be secondary in nature.

In reference to the type of transactions BA's would like to see added and suggestions made, it would be beneficial and possible to add several of them in the near future, including the employee's date of birth on the summary of change, having the system automatically tab over when entering data, and adding a progress bar so employees know when a transaction is complete. All enhancements made to the website have to be discussed between the operations and IT staff and implementation is based on value to the program and time and resources required. I will

prioritize the list based on most desired changes and make recommendations to the operations and IT staff. Some of the suggestions and request made are not possible with the current operating systems but may be achievable in the next phase of EBS.

Summary:

The feedback received from both the BA's and subscribers will be helpful in going forward with the current EBS and MyBenefits systems as well as moving forward into the next phase. Recognizing that BA's and subscribers have embraced the new technology driven tools albeit with some caution provides the agency with verification that it is heading in the right direction with the current web based initiative. The comments and suggestions also confirm that there are still many areas in which the current online programs can be improved to be more user friendly, efficient and the tool of choice for insurance benefits.

We will need to continue improving the current EBS and MyBenefits systems until perfected before a possible universal system is developed. We will also need to maintain soliciting feedback from BA's and subscribers on a consistent basis to ensure the best product is made available to the users. As enhancements are implemented to make the agency's online systems stronger, we will continue to provide one of the agency's most important core values quality customer service.

Appendix A

2008

<u>paper noe daily</u>	<u>ebs daily</u>	<u>myben daily</u>	<u>daily total</u>	<u>enroll total</u>	<u>paper noe enroll</u>	<u>ebs enroll</u>	<u>myben enroll</u>	<u>Colonial enroll</u>
100,066	21,558	26,274	147,898	25,787	6,169	3,990	11,265	4,363
% of daily total 67.66%	% of daily total 14.57%	% of daily total 17.76%			% of enroll total 23.92%	% of enroll total 15.47%	% of enroll total 43.68%	% of enroll total 15.92%
98% completed	100% completed	100% completed			96% completed	100% completed	100% completed	100% completed

2007

<u>paper noe daily</u>	<u>ebs daily</u>	<u>myben daily</u>	<u>daily total</u>	<u>enroll total</u>	<u>paper noe enroll</u>	<u>ebs enroll</u>	<u>myben enroll</u>	<u>Colonial enroll</u>
129,733	22,710	9,048	161,491	64,002	26,629	11,876	16,309	9,188
% of daily total 80.33%	% of daily total 14.06%	% of daily total 5.60%			% of enroll total 41.61%	% of enroll total 18.56%	% of enroll total 25.48%	% of enroll total 14.36%
91% completed	100% completed	100% completed			94% completed	98% completed	100% completed	100% completed

2006

<u>paper noe daily</u>	<u>ebs daily</u>		<u>daily total</u>	<u>enroll total</u>	<u>paper noe enroll</u>	<u>ebs enroll</u>		<u>Colonial enroll</u>
141,171	13,784		154,955	37,902	20,387	9,045		8,470
% of daily total 91.10%	% of daily total 8.90%				% of enroll total 53.79%	% of enroll total 23.86%		% of enroll total 22.35%
87% completed	96.5% completed				91% completed	94% completed		100% completed

2005

<u>paper noe daily</u>	<u>ebs daily</u>		<u>daily total</u>	<u>enroll total</u>	<u>paper noe enroll</u>	<u>ebs enroll</u>		<u>Colonial enroll</u>
147,977	3,144		151,121	58,693	39,624 26,295 incomplete	12,769		6,300
% of daily total 97.92%	% of daily total 2.08%				% of enroll total 75.62%	% of enroll total 21.75%		% of enroll total 10.73%
72% completed	97% completed				60% completed	87% completed		100% completed

Please take a moment to complete this brief survey by Friday, January 30, 2009. When answering this survey, please base your answers on the capacity in which you use either (or both, if applicable) the EBS (Employee Benefits Services) system or the MyBenefits website.

*** 1. I utilize the EBS system or MyBenefits website as a:**

- Benefits Administrator/HR Employee
 State Employee/retiree

2. The EBS system and MyBenefits website met my needs and/or requirements:

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

3. I have confidence the EBS system and MyBenefits website will work properly when I use it:

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

4. It is easy to check the status of a transaction in the EBS system or MyBenefits:

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

5. I like the layout and design of the EBS system and MyBenefits website:

- Strongly Agree
 Agree
 Disagree

6. Using the EBS system and MyBenefits save time when compared to using a Notice of Election form:

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

7. The information displayed on the EBS/MyBenefits website is accurate:

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

8. I was able to make the needed changes using the EBS/MyBenefits website:

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

9. The customer service representatives were able to resolve my technical problems or concerns in a timely manner:

- Strongly Agree
 Agree
 Disagree
 Strongly Disagree

10. What types of transactions would you like to see added to the EBS systems or MyBenefits website that are currently not available? If none, please reply, "N/A".

11. Other comments/suggestions regarding the EBS system or MyBenefits website? If none, please reply, "N/A".

Appendix B

References:

S.C. Budget and Control Board Employee Insurance Program. Benefits Administrator Manual
2006. EIP,2006.