

10 Ingredients for a Successful Benefits Technology Partner



Introduction

As an HR leader, you put a lot on the line when selecting the technology provider you'll entrust with your benefits enrollment, administration, and engagement. The right benefits solution will help you increase everyday productivity and relevance, improve cost predictability, and mitigate risk through accurate compliance and coverage – but how can you identify the best partner?

This guide will help you steer clear of benefits administration buyer's remorse – a time-consuming and costly hazard with critical consequences: With a weak solution, employees may not receive correct coverage, sensitive information can be put at-risk, and regulatory compliance can go unchecked, resulting in a dissatisfied workforce, security threats, and massive potential fines.

Whether you're looking for a new outsourcing partner, or transitioning from insourced to outsourced benefits administration, you can avoid common compromises – and reduce your risk of poor choice and project failure – by understanding what sets successful solutions apart.

These 10 ingredients will help you identify and select a strong benefits administration technology partner with confidence.

10 INGREDIENTS FOR A SUCCESSFUL BENEFITS TECHNOLOGY PARTNER

1. High Client Retention
2. Adaptive and Scalable Solutions
3. Single-Tenant Architecture
4. Airtight Security Procedures
5. Carrier-Agnostic Platform
6. Data You Can Trust
7. Open Integration Capabilities
8. Proven Compliance Expertise
9. Subjective Service Level Agreement (SLA)
10. Strong Year-Round Employee Experience



1. High Client Retention

A lot of time and investment goes into finding the right technology partner – but improperly vetted solutions are bound to fail, even after go-live. Success begets success: Ask for your potential partner's **client retention rate**. This indicative figure will show if clients are satisfied and sticking with their solution.

To help find a viable partner to meet your current needs, look for a benefits technology firm that fully delves into *and understands* your company's many unique factors, such as industry and culture. Your potential vendor should have proven and positive past experiences with clients of **similar size and complexity** to your own.

2. Adaptive and Scalable Solutions

Whether currently insourcing or outsourcing, you have likely existing processes based on your benefits strategy. The technology powering your benefits administration platform should adapt to and enable your strategy – you shouldn't have to compromise your strategy to fit a vendor's shortcomings. To increase data accuracy and efficiency, your partner should **tailor to your unique formats, culture, employee groups, and strategy**, while applying best practices where appropriate.

Your business is ever-changing, and benefits are a large part of that dynamic.

Select a proactive benefits administration solution that can keep up with predictable and unpredictable changes in your company, market, and applicable regulations – otherwise you could face unexpected issues down the line. Your partner should have a history of maintaining smooth service throughout clients' **major organizational and strategic changes**, to prevent the need for a new vendor search soon after your next big business announcement.

3. Single-Tenant Architecture

The architecture and execution of your technology matters. Single tenancy is the best practice for managing the natural complexity of benefits, while satisfying strict confidentiality and HIPAA requirements. In a **single-tenant system**, your data remains fully separated from that of all other clients, while maximizing the capability of the system's core functionality. This allows for faster, more customizable and accurate configuration, more robust testing functionalities and error prevention, and a more secure and reliable platform.

The alternative to single-tenancy is multi-tenancy, an operationally low-cost option with all client solutions and data co-existing on one instance of the platform. Multi-tenancy leaves you with fewer customization options, longer configuration periods, and open to testing, accuracy, and security issues. Given the importance of (and high risks associated with) data accuracy and security, make sure your solution is designed on a **single tenant architecture**.



Single-Tenancy

Each client's solution exists within its own unique instance of the platform. Much like several houses in a gated community, each solution is private and can be easily built, customized, improved, and secured separate from all others. Single-tenant architecture is the best-practice design for benefits administration platforms.



Multi-Tenancy

All clients' solutions and data co-exist on a single instance of the platform. Multi-tenancy is similar to an apartment complex: solutions are less private, less secure, and cannot be heavily customized or configured without considering the potential effects on other clients.

4. Airtight Security Procedures

Managing employee benefits also means handling and protecting your **employees' most sensitive information**. Millions of people have already fallen victim to security breaches, as cyber criminals use increasingly sophisticated methods to infiltrate information systems. Security must be more than a “check-the-box” priority for your benefits administration partner.

Dig deeper: Your chosen technology provider should employ **robust security protocols** such as at-rest data encryption, annual security audits, thorough employee background checks, HIPAA training and certification for *all* employees, and restricted and monitored data access.

5. Carrier-Agnostic Platform

When you have fewer choices, you usually end up paying more. This principle also applies to benefit administration platforms, where some vendors choose to only integrate with select carriers to lower their operating costs at the expense of client choice. Alternatively, a **carrier-agnostic platform** ensures you're free to choose any provider and plan – including existing providers – which lowers costs through competition and empowers you to provide a more relevant and employee-friendly experience.



6. Data You Can Trust

One of the most common reasons companies seek out a new benefits technology provider is because their current system produces bad data. The problem is then compounded when their vendor fails to properly clean and continually audit their data. When evaluating a solution, look beyond just an attractive and functional user experience, and dive deep into your potential partners' **data handling capabilities**. Can the firm manage your data and provide the expertise to understand the *whys* behind your data and reporting?

7. Open Integration Capabilities

Today, HR has a bigger toolbox than ever before: there's a host of HRIS and payroll systems, health and wellness platforms, financial wellness programs, decision-support tools, and more available to boost your employee experience. While useful, these individual components and point solutions can become disjointed and unmanageable without proper integration, leading to confusion and issues due to misalignment. With open and frictionless **interconnectivity among your systems**, you can ensure your benefits administration platform provides the efficiency and seamless experience you expect when working alongside the systems and platforms you currently use or choose to elect in the future.

8. Proven Compliance Expertise

Employee benefits are regulated by ever-evolving standards ranging from Affordable Care Act (ACA) mandates to COBRA coverage requirements, and it can be incredibly difficult for HR to keep track of compliance alone. Alleviate risk and reduce internal burdens by selecting a partner with a **dedicated compliance department, in-house ERISA counsel, and a record of successful compliance solutions to confidently meet your responsibilities**.

9. Subjective Service Level Agreement (SLA)

Basic Service Level Agreements (SLAs) are often quantitative and set to a bare minimum when it comes to performance. It can become increasingly frustrating to work with a vendor that meets their own biased benchmarks while delivering poor service to you and your employees. Avoid this dichotomy: Your partner's success should be dependent on *your* definition of success. Your benefits administration provider should measure **quantitative and qualitative performance satisfaction**, putting their fees at-risk for both. A partner utilizing a **Subjective SLA** will encourage dialogue and ensure you both stay on the same page.

10. Strong Year-Round Employee Enrollment Experience

Your benefits technology investment shouldn't be limited to a single experience during Annual Enrollment. Instead, expect your platform to put **artificial intelligence (AI)** to work for your employees, saving real dollars and time with better benefits recommendations, convenient care providers, cost comparisons and options for prescriptions and treatments, and streamlined processes when filing paperwork and making a claim.

Proactive benefits administration technology delivers value that goes beyond basic enrollment and administration – to reach employees at the right point of need. How robust and relevant is your current benefits solution? You need an experience that **makes benefits matter to your employees every day** – not just once or twice a year.



Conclusion

Each company's benefits, workforce, and strategy are different, but selecting your next benefits technology vendor doesn't have to be risky or nerve-wracking. Factoring these traits into your decision-making process will allow you to choose a strong solution that will fit your business both now and in the future. With support from the right partner you'll eliminate compromises, lower costs, and enrich employees' lives to make benefits matter every day.



About Empyrean

Empyrean Benefit Solutions looks to enrich employees' lives by making benefits matter every day.

Empyrean provides employee benefit solutions without compromise through the development and delivery of software and services.

Founded in 2006, Empyrean serves more than 3.6 million participants annually across a wide spectrum of sizes, industries, and complexities.

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