

# Approval of Online Enrollment Vendor for Employee Benefits

February 12, 2013

## SUMMARY:

This item requests approval of an online enrollment system. The new system will be needed for the April 2013 enrollment period.

## BOARD GOAL:

**VI. Growth, Change & Fiscal Responsibility... In pursuit of excellence, the district will:**

- demonstrate effective and efficient management of district resources

## PREVIOUS BOARD ACTION:

The district made a change to TRS ActiveCare for our medical coverage effective January 2012. Core Source was our online enrollment vendor for the self funded plan and worked with the district and TRS/BCBS to complete the enrollment process with TRS ActiveCare for the first year.

## BACKGROUND INFORMATION:

For the last several years Denton ISD has offered an online enrollment system for employee use during the open enrollment period. Currently there are five online enrollment vendors approved by TRS. The five vendors are as follows:

- Financial Benefits Services, LLC (FBS)
- US Employee Benefits Service Group (USEBSG)
- TCG Benefits (TCG)
- First Financial Group of America (FFGA)
- Admin Direct

Each of these vendors are offered through an inter-local agreement or purchasing cooperative.

## SIGNIFICANT ISSUES:

TRS ActiveCare/BCBS must be notified by February 18, 2013 as to the enrollment vendor to be used by the district. We have interviewed four of the five vendors listed above. Admin Direct serves only one school district for this purpose and was not contacted. Attached is a spreadsheet comparing the various vendors and related services.

**Request For Proposal (RFP) Process** – Three of the vendors will conduct the RFP process as part of their service. A tabulation of the results will be presented to the district for product selection. We are in the process of creating a committee of staff members representing each campus to review the results for a recommendation on the product selection. Two of the vendors offer options that do not require an RFP process, but offer three pre-determined products in each line for selection. One vendor offers Exclusive Products.

**COBRA** – TRS ActiveCare assumes the responsibility for COBRA for the medical product. Three of the vendors assume responsibility for the COBRA administration for the voluntary products.

## FISCAL IMPLICATIONS:

All four of the vendors offer their services free of charge to the district however they are independent brokers and would collect commissions on the voluntary products sold. The Enrollers used to assist the district during the open enrollment periods are paid on a per diem basis with the exception of First Financial where regular full-time employees are utilized for the enrollment process and paid a salary and bonuses. Attached is the Denton ISD Benefit Comparison for the 12-13 school year. We included school districts currently using the various enrollment vendors to the benefits and premiums currently offered by Denton ISD. The premiums and products offered by these peer districts are very comparable to our current benefits. In addition, the Healthcare Trust account will realize a cost savings of approximately \$100,000 for various services and materials such as consulting, enrollment process, printed materials and software.

## BENEFIT OF ACTION:

A significant benefit to the district is the option to load benefit changes electronically into our finance system on a routine basis. In addition, the additional services offered by the vendor will allow the district to more efficiently utilize our resources.

## SUPERINTENDENT'S RECOMMENDATION:

Recommend accessing US Employee Benefits Service Group (USEBSG) for online enrollment and related services as outlined above.

**STAFF PERSONS RESPONSIBLE:**

Debbie Monschke, Assistant Superintendent of Administrative Services  
Karen Almon, Insurance Coordinator/Employee Benefits  
David Moor, Director of Data Processing  
Pam Hammons, Payroll Supervisor  
Tammy Beuthien, Insurance Clerk  
Angelia Bridges, Insurance Clerk

**ATTACHMENT:**

Online Enrollment Comparison  
Denton ISD Benefit Comparison

**APPROVAL:**

Signature of Staff Member Proposing Recommendation: \_\_\_\_\_

Comments: \_\_\_\_\_

Signature of Divisional Leader: \_\_\_\_\_

Comments: \_\_\_\_\_

Signature of Superintendent: \_\_\_\_\_

Comments: \_\_\_\_\_