

Executive Summary

Prepared for Board of Trustees Meeting

January 10, 2017

Discussion of Third Party Administrator for Employee Benefits

Purpose of Report

This report is to present to the Board of Trustees, for their review and discussion, the recommendation to change Third Party Administrator for employee benefits.

Objectives

- To simplify the benefits enrollment process.
- Help educate employees on their benefits.
- Review of plan benefits on an annual basis to determine if changes should be made.
- Stay competitive with benefits being offered by other school districts.

Operational Impact

For the 2017-2018 Benefits Plan Year, Denton ISD will be changing from US Employees Benefits Service Group (USEBSG) to Financial Benefits Solutions (FBS) as Third Party Administrator.

Online Enrollment System

The online benefits enrollment system, THE*benefits*HUB, allows employees to use the Internet to securely access information about benefit options, cost and policies. FBS employs in-house programmers and highly skilled Benefit Technology experts who can customize the online benefit enrollment experience.

Request For Proposal (RFP) Services

FBS prepares a customized RFP and distributes to the vendor marketplace to bring an array of quality products and superior services to Denton ISD. Their benefit consultants provide a comprehensive benefit analysis and will work with us through the decision-making process. The goal is to secure a robust, cost effective benefit package for Denton ISD that will help aid in the recruitment and retention of employees.

Cooperatives

FBS provides power in numbers with 8 employee benefit cooperatives in the State of Texas and is the named consultant for several of these large purchasing cooperatives. A larger risk pool results in more competitive premiums and provides more stability with longer rate guarantees. The cooperatives are governed by a committee of member groups that oversee the proposal process for the benefit cooperative and have an in-depth vetting process, which is required of all vendors. Some of the Coops are: The PACE Coop, Choice Partners and Education Purchasing Coop of North Texas (EPCNT).

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ACA Compliance

The ACA solution handles full eligibility tracking using Measurement Periods and Stability Periods, and takes liability for the accuracy of the details. They will also handle all reporting to the Federal Government for Denton ISD and send required tax forms directly to employees if requested.

Benefit Education

FBS provides numerous tools to keep employees educated; providing a benefits website with plan information and videos, provider searches, forms and links to carrier web tools. Services include tailored group benefit meetings, online training, educational videos, customized enrollment fliers, and email campaigns to promote enrollment.

As a result of the changes:

Employer Advantages

- Dedicated Benefit Technology Team
- One system to manage all employee benefits
- Paperless employee benefits enrollment and administrative system
- Online enrollment, employee benefit statements, claim forms, administrative forms, custom benefit guide, and benefit communication tools
- Customizable benefits website to effectively house all Denton ISD benefit information including brochures, rate sheets, policies, benefit handbook, provider information, claim forms, and many other useful forms and links
- Electronic data transfer to Insurance Carriers
- Electronic data transfer to eFinancePlus Payroll System
- A full suite of system generated reports
- Reduced Insurance Department call volume

Employee Advantages

- Easy to use web-based system that allows employees to enroll and access day-to-day from the workplace or at home
- Self-service enrollment of core and voluntary employee benefits
- Online self-service change of address, beneficiary, and password
- Easy access to benefit brochures, highlights, summaries, and educational videos on both the benefit website and within THEbenefitsHUB
- Detailed review of employee benefits, cost, and other information online

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Other Options

The changes being made represents an effort to keep our benefits enrollment system current, benefits comparable to products offered by other school districts and provide the best, most cost-effective program to our employees with the resources available. Denton ISD feels that this change is in the best interest of its employees.