



a new way of seeing

HR TECHNOLOGY & BENEFITS ADMINISTRATION SURVEY 2017

4th PacRes survey focusing on health and welfare benefits administration and strategic Benefits Administration

Purpose: To increase understanding of the employer's view on Benefits Administration solutions

Respondents: Senior human resource or benefits executives across 91 organizations

Average size of responding companies
20,000+ employees

2 million+
active or retired employees represented





HR technology platforms

Most important reasons employers assess Strategic Benefits Administration platforms:

1. User experience

2. Ability to integrate benefits technology with HR functions



Employers shifting ownership of benefit decision-making to employee

Employers are confident in and rely upon technology to deliver benefits, but many are looking to switch HR vendors; indicating the need for better technology or execution

Communication, education & engagement are integral to employers' overall health & welfare benefits delivery strategy

Employers are looking for help and advice in determining which vendors to use



Exchange-specific results:

100% of employers are satisfied or very satisfied with the cost savings of their health and welfare benefits since moving to a private exchange

Employers want to enhance the value of their benefits by improving the employee experience

Majority of companies using exchanges have them primarily for Medicare-eligible retirees

Lower cost is less important to employers than in previous years

1/3 of employers feel that their exchange vendor has been completely transparent in fees



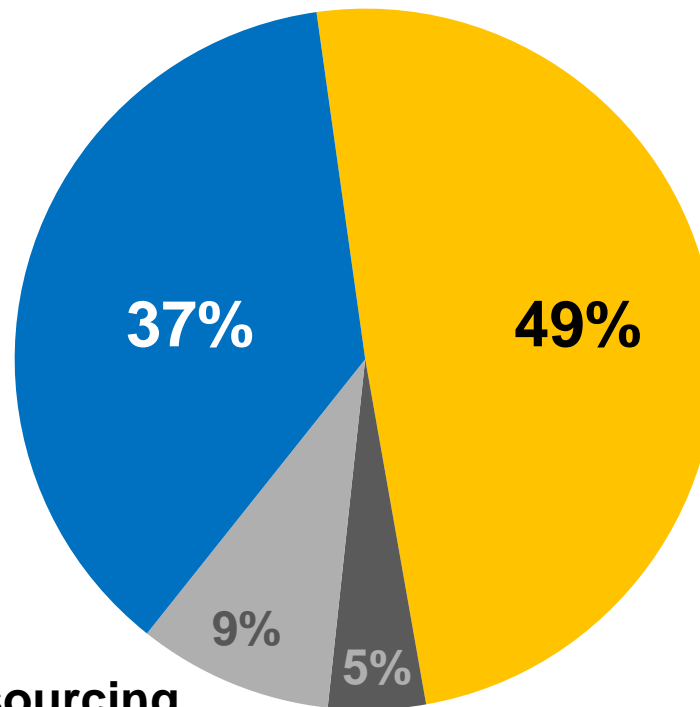
HR Technology & Benefits Administration Survey

Detailed findings

Which of the following is the most valuable outcome from your experience with a benefits technology platform?

Integration of benefits technology with other HR functions on single platform

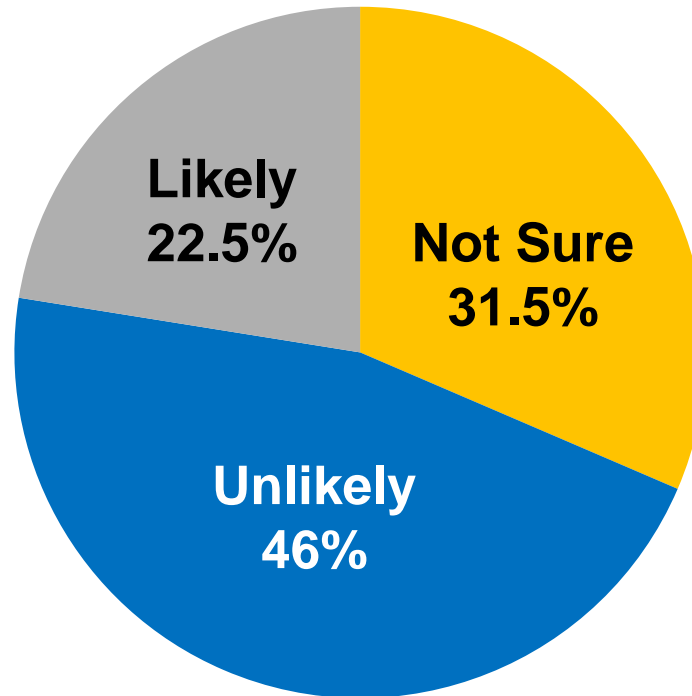
Best-in-class employee user experience



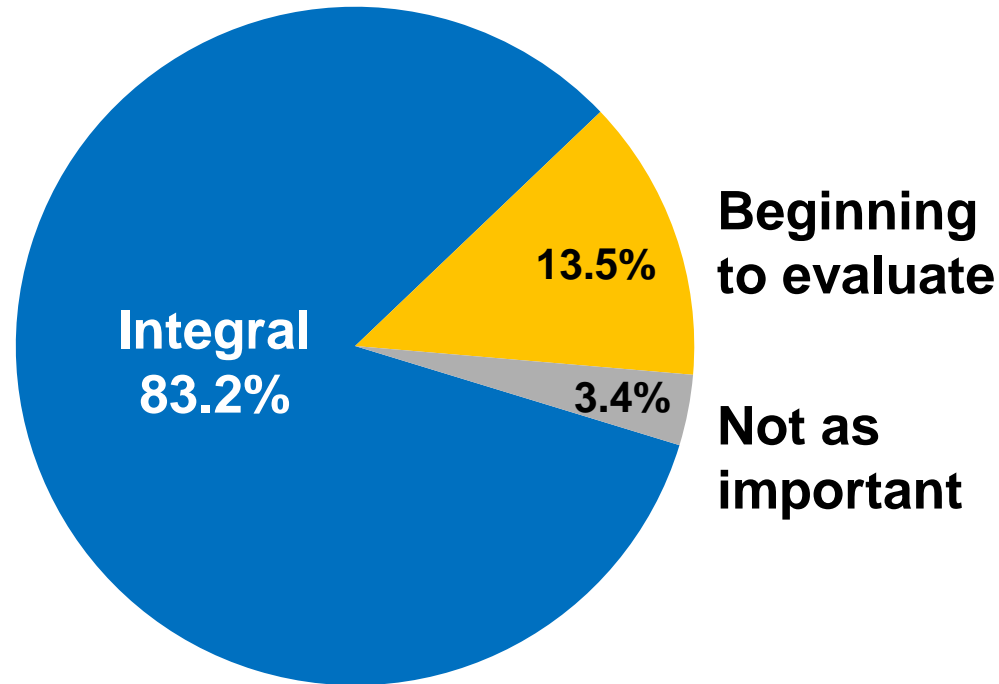
Total outsourcing of HR/Benefits business processes

Lower than market costs

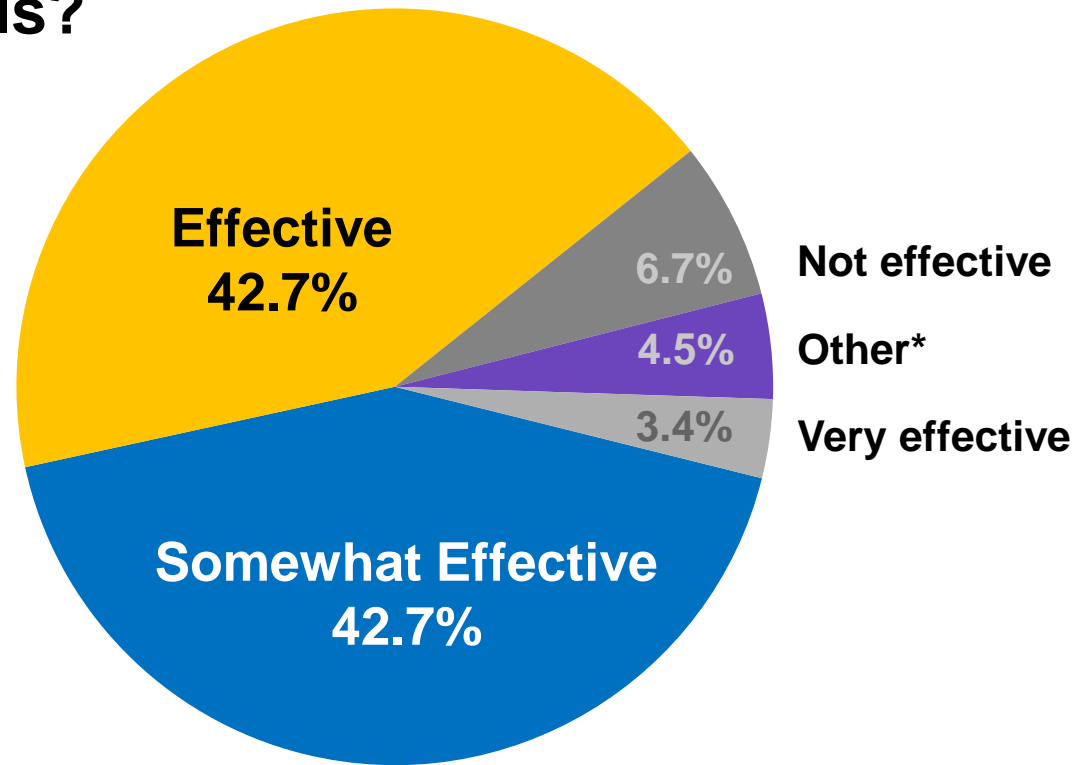
Will your benefits strategy prompt a change in your technology?



How does communication, employee education and engagement fit into your overall 3-5 year health & welfare benefits delivery strategy?



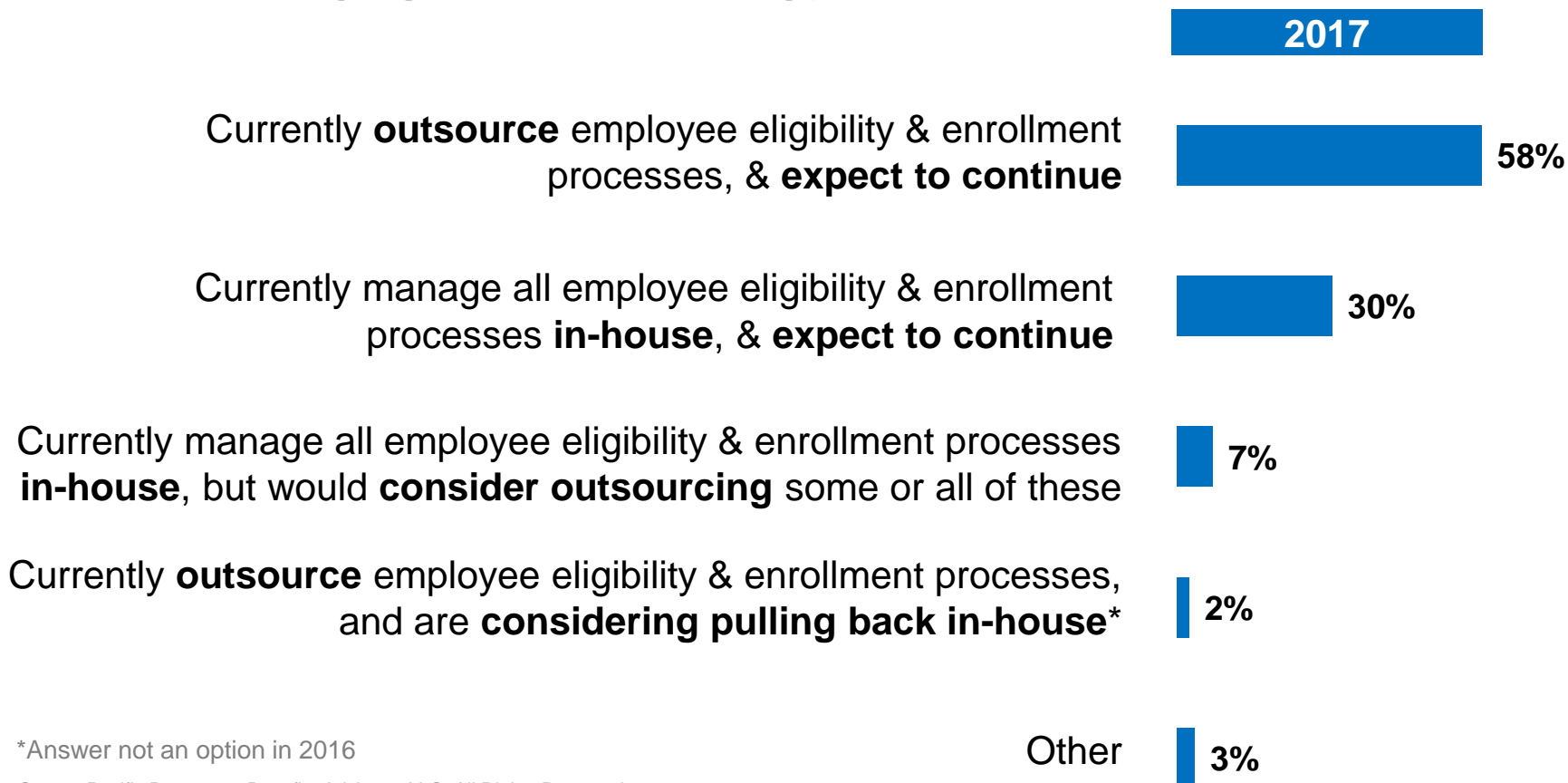
In your experience, how would you describe the overall effectiveness of engagement tools such as guided decision support, cost calculators and plan comparison tools?



*Other includes:

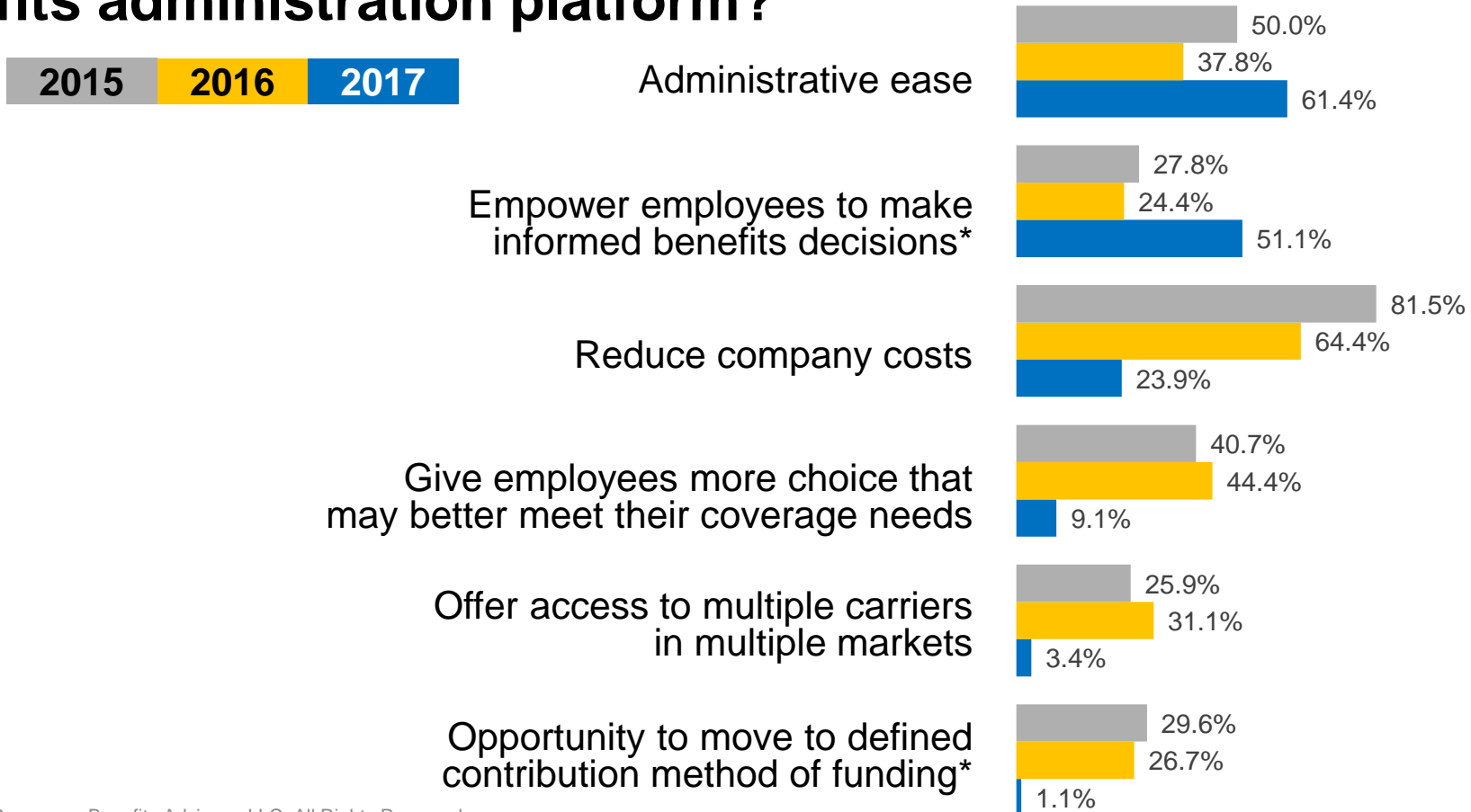
- N/A
- Currently Reviewing
- Currently do no use
- Design our own plans and calculate the necessary funding

Which of the following best describes your company's health & welfare benefits administration platform and benefits engagement strategy?




*Answer not an option in 2016


Of the following reasons, which would rank as most important in your decision to select a health & welfare benefits administration platform?




Which one of the following responses best describes how your company would or did evaluate a health & welfare benefits administration solution?

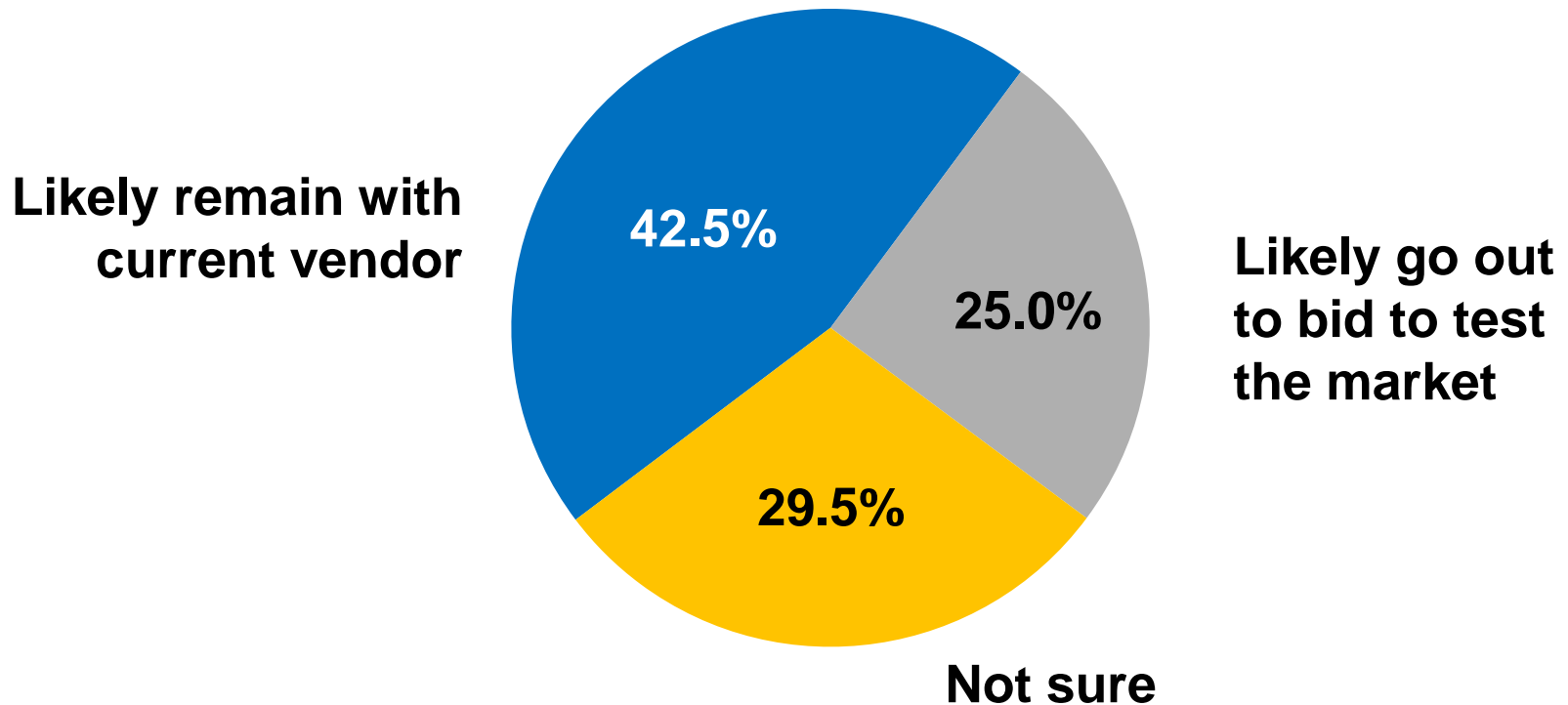
9.1% indicated they have not discussed how to approach an evaluation, and another 1.1% indicated they would rely on their consultant.

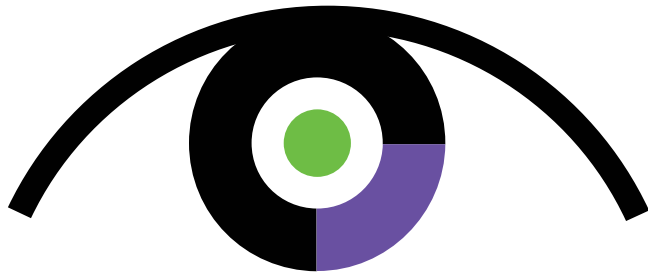
We would engage an independent consultant whose firm does not sponsor a similar technology solution  39.8%

We would perform the evaluation primarily using in-house staff including our procurement office  27.3%

We would engage our benefits consultant even if that consultant sponsors a similar technology solution  22.7%

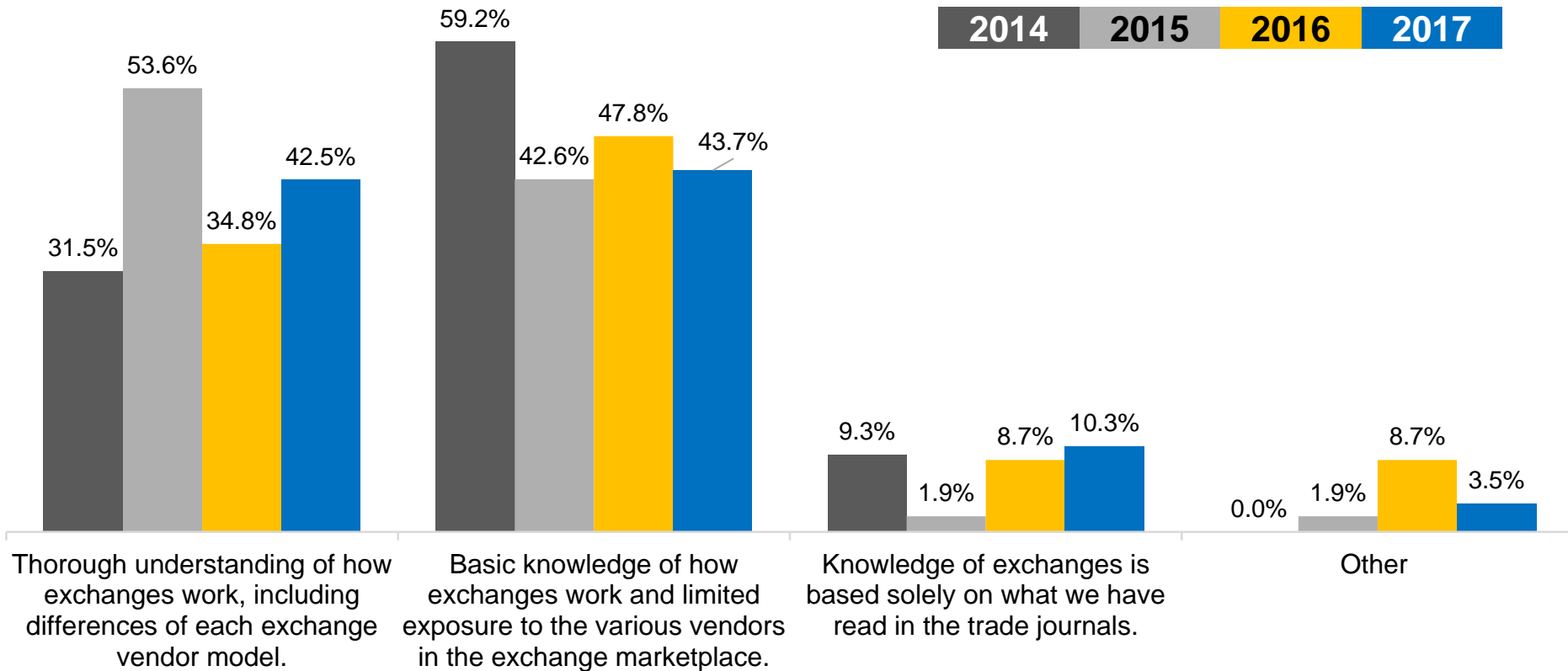
As you think about your experience with your health and welfare benefits administration technology solution, how likely are you to go out to bid to evaluate a new vendor at the end of your current contract?



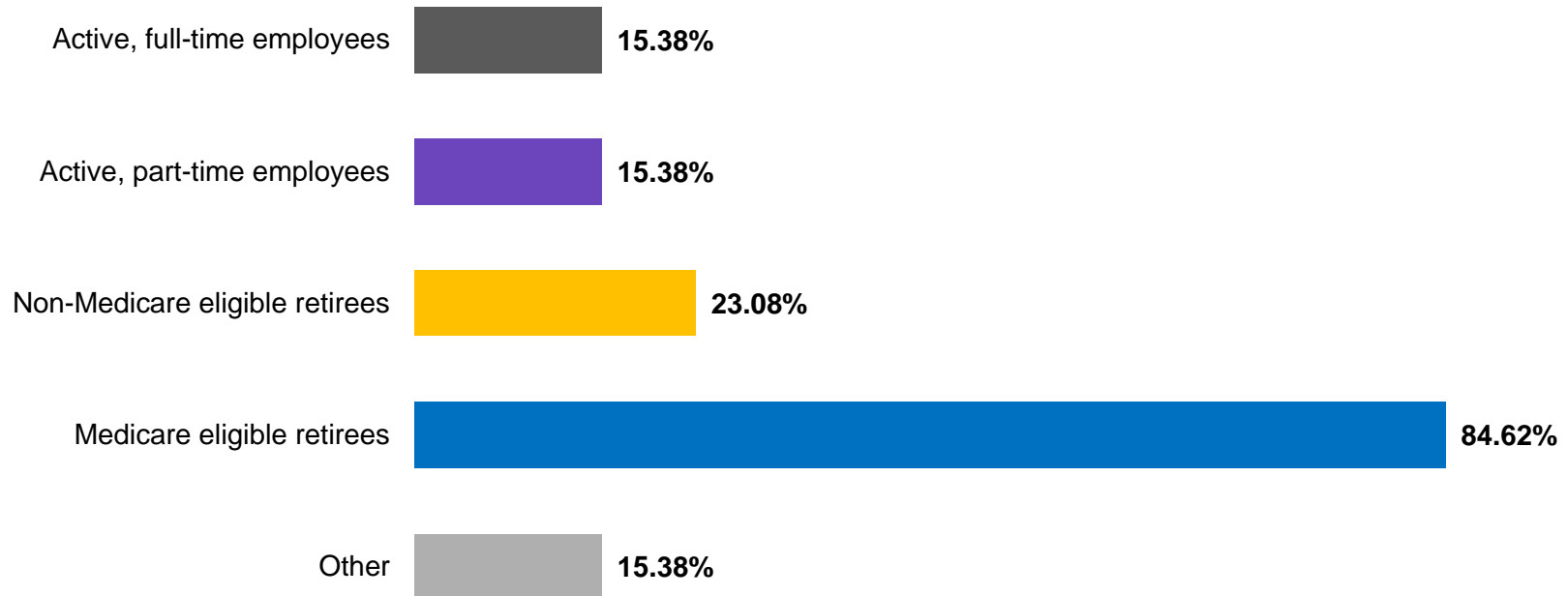


Private Exchange Questions

How would you assess your company's understanding of the opportunities, challenges and decisions required to move to a private exchange?



Do you leverage a private exchange to offer health & welfare benefits to any group of employees?



How would you assess your understanding of the revenue sources of private exchanges, as well as the expected revenue level required to administer an exchange for your company?

Vendors have provided thorough description of all of the fees & commissions that would be generated by our participation in an exchange & the level of revenue needed to administer the exchange. I feel I have a complete understanding.



There has been little to no discussion about fees and commissions earned by the vendor in our discussions with exchange providers.



Vendors have provided only limited information about all of the fees and commissions that would be generated through our participation in an exchange and the level of revenue needed to administer the exchange.



Not applicable.



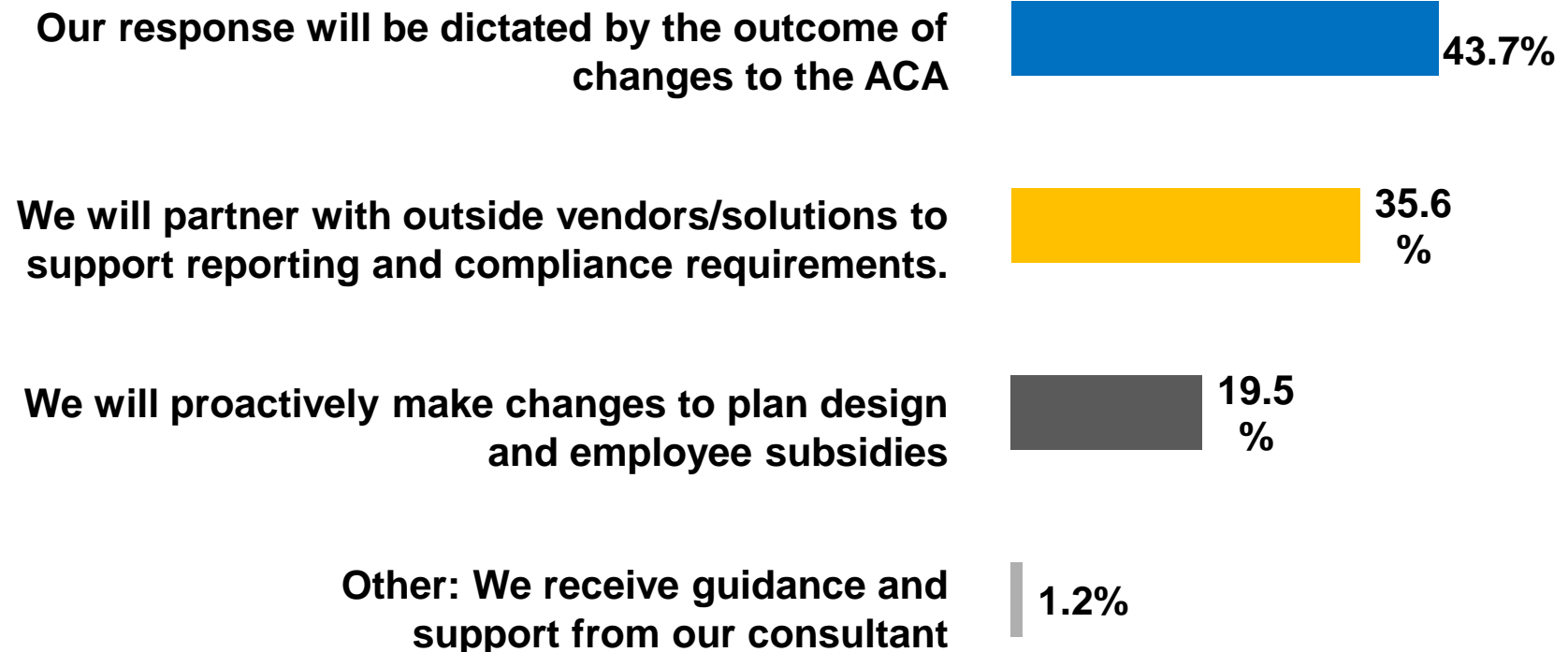
How satisfied are you with the cost savings of your health and welfare benefits since moving to a private exchange?





ACA

Which approach best describes your current plan to address managing health and welfare benefits in response to changes to the Affordable Care Act (ACA)?

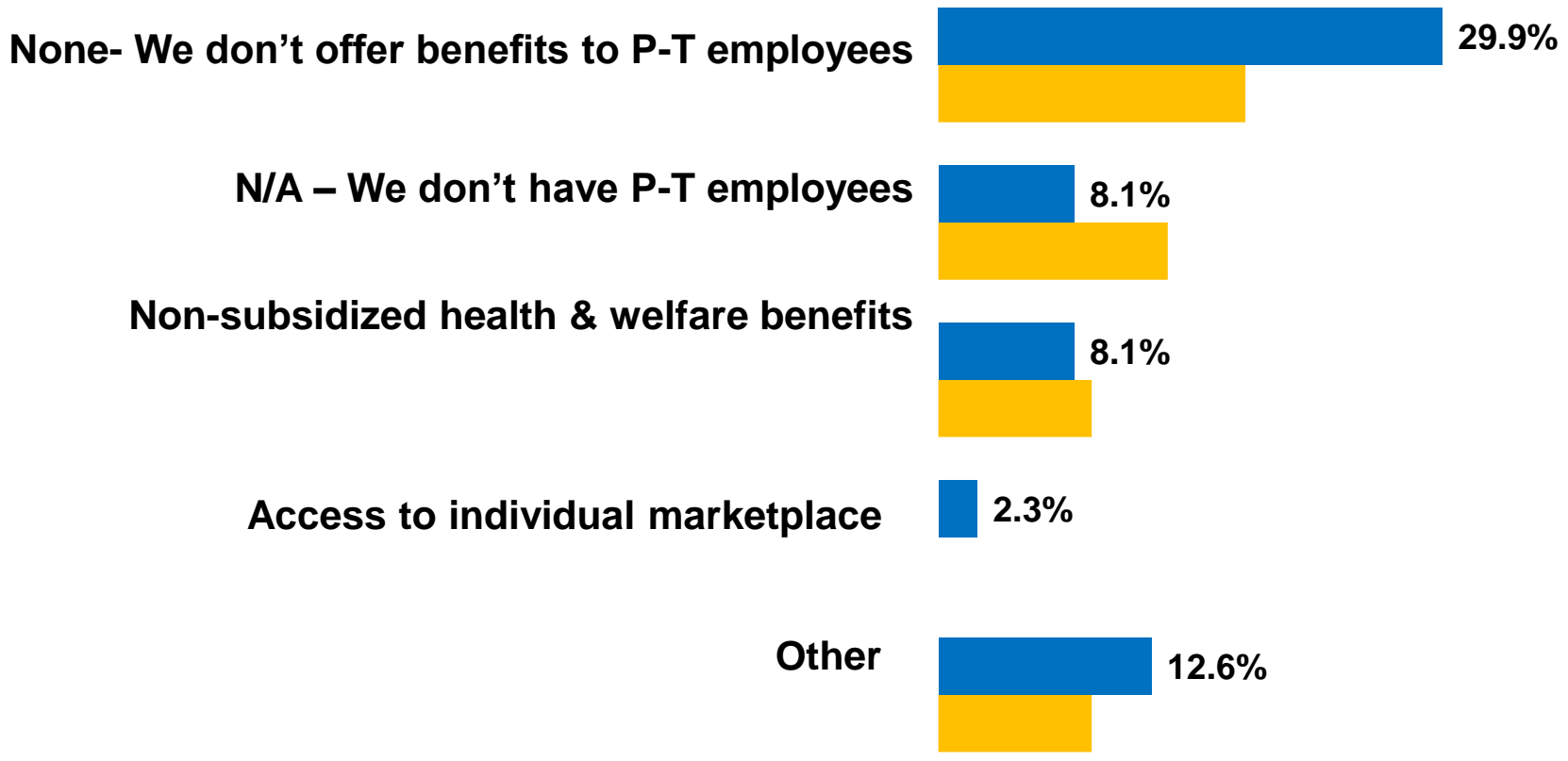




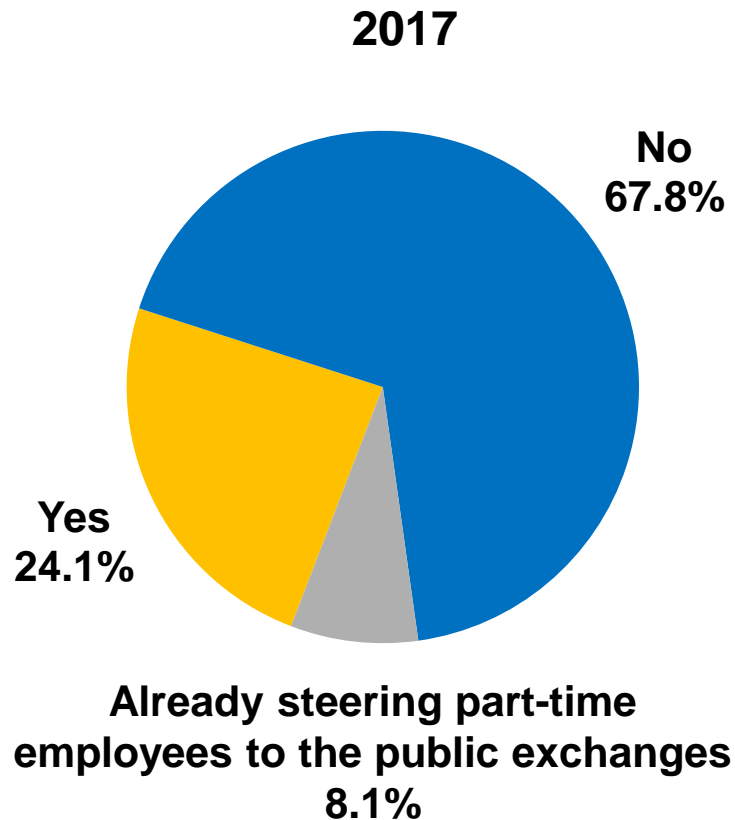
Part-Time Employees

Which benefits do you offer to your part-time employees?

2016 2017



Would you consider offering an avenue for part-time employees to obtain 100% employee-paid benefits?





Appendix

DEMOGRAPHICS

4th Annual Survey

Conducted May-June 2017

91 respondents

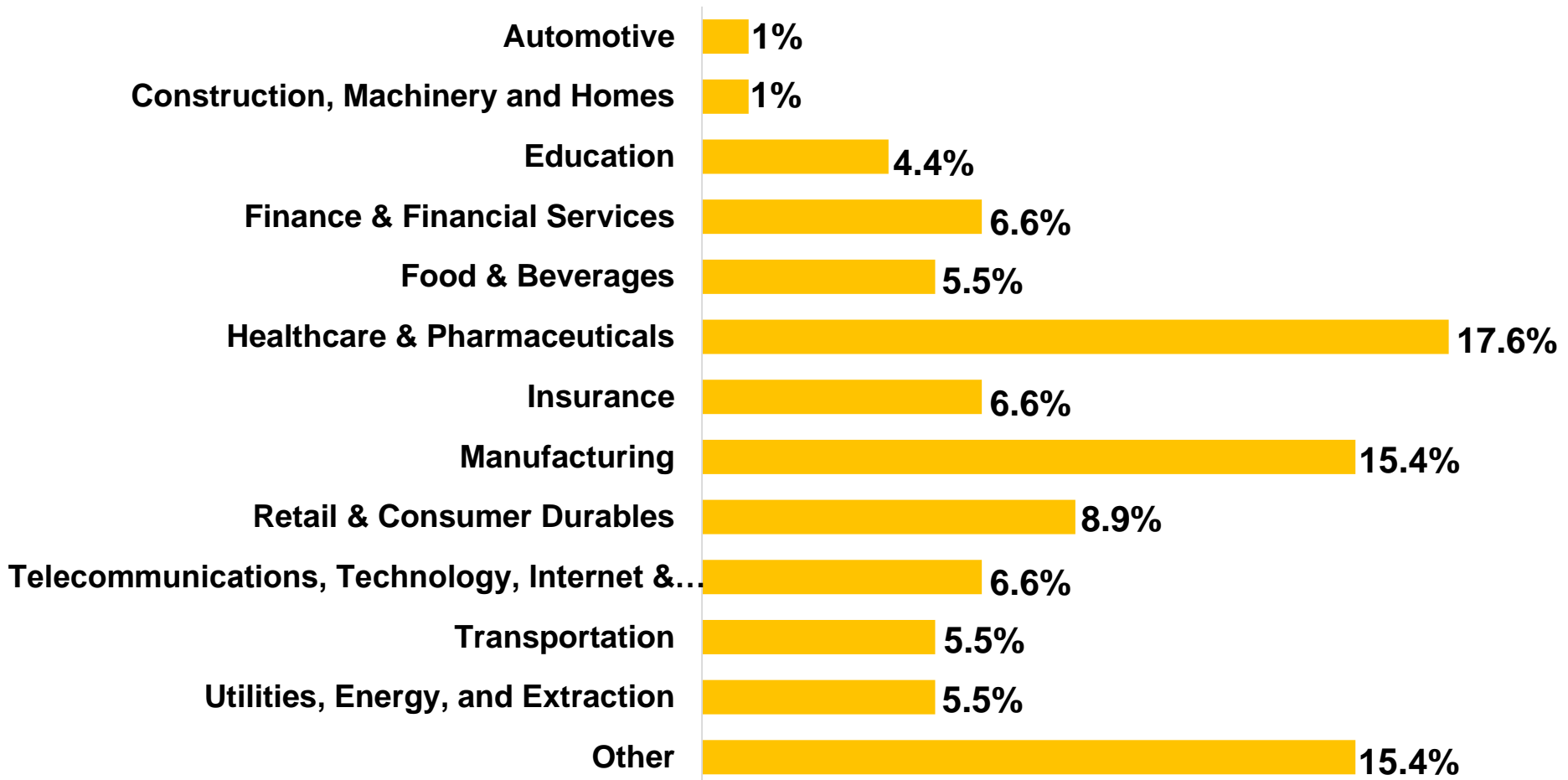
Average company size: 20,000+ employees

More than 2 million employees represented:

- 1,828,594 total active employees
- 220,812 Non-Medicare eligible retirees
- 313,592 Medicare-eligible retirees

INDUSTRY REPRESENTATION

Which of the following best describes the principal industry of your organization?



Pacific Resources, a part of the Brown & Brown family of insurance brokerage and related services companies, is a leading independent employee benefits advisory firm that works with Fortune-ranked and other large companies. For four decades, Pacific Resources' evidence-based insights have shaped innovative employee benefit solutions, helping companies get the most value from their benefit plans, and positively impacting the lives of millions of employees and their families.

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For more information on the survey, contact Pacific Resources at info@pacresbenefits.com