

Vendor Management Survey

29 Responses

| Benefit Administration | | |
|--|----|------|
| 1. Which of the following aspects of your health benefits administration does your company outsource? (Check all that apply.) | | |
| Benefits eligibility / Life events | 10 | 34% |
| Annual Enrollment | 11 | 38% |
| Invoice billing for premiums | 9 | 31% |
| COBRA | 23 | 79% |
| Flexible Spending Account Administration | 25 | 86% |
| Worksite wellness | 6 | 21% |
| Benefit communications / SPD development | 9 | 31% |
| Data analysis | 7 | 24% |
| On-site clinic | 1 | 3% |
| Utilization management | 16 | 55% |
| Employee assistance program | 29 | 100% |
| Other, please specify: | | |
| Medical & Dental Claims Administration | 1 | 2% |
| SPD Development | 1 | 2% |
| 2. How many vendors do you use to help administer all the tasks listed above? | | |
| 1 | 2 | 7% |
| 2-4 | 16 | 55% |
| More than 4 | 11 | 38% |
| N/A | 0 | 0% |
| Total | 29 | 100% |
| 3. What department has the final decision-making authority on the selection of benefit administration vendors? | | |
| Employee Benefits/HR | 20 | |
| Benefits in Conjunction with Legal | 1 | |
| Benefits Strategy | 1 | |
| Board of Directors | 1 | |
| Executive Committee | 1 | |
| Finance & Accounting | 1 | |
| HR & Procurement via a Formal Selection Committee | 1 | |
| Rewards and Benefits USA | 1 | |
| Senior Management | 2 | |
| 4. Are you achieving the expected results (e.g. savings) from outsourcing? | | |
| Yes | 21 | 72% |
| No | 3 | 10% |
| Too early to tell | 5 | 17% |
| Total | 29 | 100% |

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| Network Strategy & Plan Design | | |
|--|----|------|
| 5. Does your company utilize a regional network strategy to achieve the best network discounts possible (for example, an Aetna Network in the DFW area and UHC Network in the Boston area)? | | |
| Yes | 8 | 28% |
| No | 21 | 72% |
| Total | 29 | 100% |
| 6. If so, how many regional networks do you have? | | |
| Zero | 1 | |
| One | 2 | |
| Two | 2 | |
| One National | 1 | |
| By State | 1 | |
| UHC in any locations they operate | 1 | |
| 7. Has your regional network strategy resulted in savings? | | |
| Yes | 7 | 64% |
| No | 1 | 9% |
| Too early to tell | 3 | 27% |
| Total | 11 | 100% |
| 8. Does your company utilize a competing network strategy in the DFW area specifically (for example, both an Aetna and UHC in the DFW area)? | | |
| Yes | 6 | 21% |
| No | 23 | 79% |
| Total | 29 | 100% |
| 9. If so, how many different networks are offered in the DFW area? | | |
| Two | 4 | |
| Three | 1 | |
| Two, but consolidating in January | 1 | |
| 10. Has your competing network strategy in DFW resulted in savings? | | |
| Yes | 1 | 14% |
| No | 3 | 43% |
| Too early to tell | 3 | 43% |
| Total | 7 | 100% |

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| 11. How many different plan designs do you offer? | | | |
|--|--|----|------|
| Across the US | | | |
| One | | 4 | |
| Two | | 9 | |
| Three | | 3 | |
| Four | | 3 | |
| Five | | 3 | |
| Six | | 0 | |
| Seven | | 1 | |
| Eight | | 1 | |
| Nine | | 1 | |
| Fifteen | | 1 | |
| Twenty Five | | 1 | |
| In the DFW Area | | | |
| Two | | 4 | |
| Three | | 11 | |
| Four | | 5 | |
| Five | | 1 | |
| Six | | 2 | |
| Seven | | 1 | |
| 12. What is your employee cost sharing? | | | |
| Less than 10% | | 1 | 3% |
| 11% to 15% | | 5 | 17% |
| 16% to 20% | | 9 | 31% |
| 20% or more | | 14 | 48% |
| Total | | 29 | 100% |
| Procurement Process | | | |
| 13. Do you use any of the following to select outside benefit administration vendors? (Check all that apply.) | | | |
| Request for Proposals (RFP) | | 25 | 89% |
| Your company's internal procurement department | | 10 | 36% |
| External consultants | | 23 | 82% |
| Other, please specify: Broker | | 1 | 4% |
| 14. Do you use consultants to develop and manage your RFP process? | | | |
| Yes | | 23 | 79% |
| No | | 6 | 21% |
| Total | | 29 | 100% |
| 15. How do you measure vendor performance? (Check all that apply.) | | | |
| Compare company performance vs. book of business | | 22 | 79% |
| Compare year over year historical trends to new trend | | 21 | 75% |
| Hire a consultant to confirm the outsourcer value | | 14 | 50% |
| Other, please specify | | | |
| Independent audit of claims accuracy/plan compliance | | 1 | 3% |
| Hire a consultant to perform audits | | 1 | 3% |
| Develop vendor specific metrics | | 1 | 3% |
| This sorely needs to be developed | | 1 | 3% |