



# OUTSOURCING SOLVES ADMINISTRATION CHALLENGES OF INCREASED WORKFORCE



## CLIENT OVERVIEW

National **financial services provider**

**450** employees

**Two locations**

### **The Situation: HR Staff Can't Keep Up With Administration Demands Caused by a Significant Increase in Workforce**

Prior to contracting with Corporate Synergies for employee benefits consultation and brokerage, a financial services company implemented a new HRIS system. The company's workforce also increased by 100 employees as a result of a business acquisition. Although the HRIS system automated benefits administration processes, this employer experienced issues managing the workload generated by the addition of personnel.

Corporate Synergies recommended its benefits administration outsourcing solution, which is comprised of internal experts who assume management of daily and annual tasks, as well as enhanced processes that improve efficiencies. The company hired Corporate Synergies to manage the benefits module of its HRIS system and handle day-to-day benefits administration transactions.

The client avoided tens of thousands of dollars in regulatory liability by automating evidence of insurability processes.

The client's decision to outsource benefits administration negated the need to hire an additional administrator at an average annual cost of \$52,000\*.

*\*Average salary for a benefits manager in the client's location. Source: Salary.com*

## Synergies360<sup>SM</sup>

Corporate Synergies takes a full view of the insurance landscape, studies it from every angle, pursues innovation where none exists, and transforms this deeper understanding into actionable strategies to protect our clients and their participants. We call our approach Synergies360.



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### The Analysis

During the benefits administration onboarding process, Corporate Synergies conducted a detailed review of the HRIS system. The review uncovered several issues that placed the client at risk for overpayments and compliance errors:

- Evidence of insurability (EOI) rules were not set up correctly, which opened the client to compliance risk
- Life insurance was approved above the guaranteed issue amount before receiving carrier approval
- Age reduction rules were not programmed for life insurance plans
- Life event processing was completely manual and time-consuming
- No life event verification process was in place
- Incorrect benefit rate table calculations made the billing process labor intensive and manual

### The Turning Point

Corporate Synergies implemented the following processes to streamline benefits administration:

- Updated the benefits module to enable the delivery of accurate billing for all lines of coverage
- Recalculated all benefit rates
- Automated EOI and life event processes
- Built and maintained benefit rate tables

- Implemented carrier feed processes
- Handled all new hire and life event processing
- Managed fulfillment and delivery of employee benefit communications
- Created ongoing reports
- Provided personal enrollment assistance for employees via the BenefitsVIP<sup>®</sup> employee advocacy and support center
- Collected proof of other coverage

### The Results

The existing HR staff is now able to manage the organization's growth strategy and is no longer burdened with day-to-day benefits administration transactions. The client is supported by timely, accurate and compliant benefit processes, which has mitigated the potential for significant government fines and penalties.

### The Bottom Line

Corporate Synergies' outsourcing strategy utilizes the client's existing systems and HR staff for a cost-effective solution. Outsourcing pays for itself by managing workflow, negating the need to hire additional personnel to manage the expanded workforce, and ensuring compliance.