



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES



**Contract with Benefitfocus for Eligibility and Enrollment Services
Transition Plan and Request for Approval**

Board of Trustees Meeting

August 28, 2015

A Division of the Department of State Treasurer

Contract Approval Required by Statute

North Carolina General Statutes §135-48.22 and §135-48.33(a) require that the BOT approve all Plan contracts with a value over \$500,000.

The estimated cost of this contract over three years is \$38,700,00.

The Executive Administer is authorized to negotiate and execute this contract pursuant to G.S. 135-48.23(c). It is exempt from Department of Administration Purchase & Contract rules pursuant to §135-48.34 as a contract for services related to the implementation of benefit plans but is subject to approval by the Attorney General's office.

Background

- In February of 2012 the State Health Plan issued a request for proposal (RFP) for eligibility and enrollment services for both the Plan and NCFlex benefits.
- Following the competitive bid process, the contract was awarded to Benefitfocus.com, Inc. with a service start date of July 1, 2013.
- The Plan transitioned to Aon Hewitt, the only other qualified bidder to the RFP, for services effective June 1, 2015.
- Due to performance issues the Plan has determined that services should be transitioned back to Benefitfocus.

Transition Plan

Phase I – Active Employee Go-Live

- **Configure Employing Units (EU) and EDI** – Groups will be reconfigured just as they were before the contract terminated on June 30, 2015. All vendors and EUs that had pre-existing files will be turned back on and test files will be exchanged. No new functionality will be included with these files. Any enhancements will be addressed in Phase III.
- **BEACON** did not utilize payroll files under the prior Benefitfocus contract; therefore, standard interfaces will be implemented for go-live. Enhancements will be required to obtain full functionality. Manual updates will be required until the enhancements can be implemented.
- **Data Conversion** – Plan enrollment and non-BEACON/NCFlex enrollment that was entered into the Aon Hewitt Platform will be manually loaded into the Benefitfocus platform by Plan, Retirement System and BCBSNC resources. There is not enough time to transition all of the BEACON/NCFlex enrollment that did not previously live in Benefitfocus.

Transition Plan

- **Active Members**

- **Black Out** – There will be an active member enrollment black out during the first two weeks of September to complete the manual data conversion and audit.
- **Go-Live** – The Benefitfocus platform will be live for active members on September 15th. There will be a 30 day window for members and HBRs to review enrollments for accuracy and make any required adjustments.

- **Retirement Group, COBRA and other non-Active Members**

- **Black Out** – There will be a one week black out for these members after the Active Go-Live to complete the manual data conversion and audit.
- **Go-Live** – The Benefitfocus platform will be live for these members on September 30th. There will be a 14 day window for these members to review enrollments for accuracy and make any required adjustments.

Transition Plan

Phase II – Annual Enrollment will be October 15 – November 18

- **Web Enrollment** – Open to all eligible Plan and NCFlex members
- **Call Center** – Aon Hewitt will supplement the Benefitfocus call center for retiree telephonic enrollment
- **BEACON/NCFlex** – Positive enrollment or extensive manual data entry required

Phase III – Immediately following Annual Enrollment, separate projects will be kicked off to address outstanding deficiencies

- **BEACON** – Payroll files and any other items identified during the re-implementation
- **COBRAGuard** – All EDI files
- **NCFlex** – Outstanding functionality
- **Retirement Systems** – Payroll files
- **All Other** – Anything else we discover during the re-implementation

Eligibility and Enrollment Services

The Contract will provide for eligibility and enrollment services including the following:

- Call center customer service for employees and retirees
- The provision of an integrated, intuitive web based eligibility and enrollment platform for both Plan and NCFlex benefits
- Support of Plan and NCFlex eligibility and enrollment rules
- The transmission of enrollment data to the Plan, employing units, vendors and partners as necessary to perform Plan operations
- Custom and Ad Hoc reports on Plan and NCFlex data
- Assistance with facilitating IRS reporting requirements

Cost

Administrative fees under the contract will be \$2.15 per subscriber per month.

Recommendation

Plan staff recommends approval of a Contract with Benefitfocus for eligibility and enrollment services beginning September 15, 2015.