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The Renewal and Enrollment Process: Tame the Tasks and Timing for Success

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The annual employee benefits renewal and enrollment process requires about twenty separate tasks which must be accomplished every year for companies of all sizes. Some of the tasks need to be accomplished sequentially, and some may be accomplished simultaneously. The larger the employer, the longer each task usually takes. The purpose of this paper is to scope out the process in order to build out a timeline for better preparation and success.

Ideally, we would start months in advance of the renewal effective date, with plenty of time for negotiating, communicating and gathering data. Unfortunately, much of the work can not be done prior to receiving the actual renewal notice; without it we don't know the extent of challenge or changes required. In most situations, we can't even get alternative proposals without renewals. The problem is exacerbated with smaller groups with less predictable renewals and shorter renewal lead times. So, what can be done prior? (Let's assume a mid-sized employer with 60 days of lead time.)

First, conduct a pre renewal planning session. Determine imperatives like which carriers need to stay and which should go. Discuss the budget. Do some modeling to know what direction certain renewal actions will dictate.

Task	Three Months Out	Two Months Out	One Month Out	One Month After
1. Conduct pre-renewal planning session (Three months out)	■			

Assuming the renewal has not been pre-negotiated, alternative proposals should be procured every year. To start, data should be requested and gathered from the client and administrators to prepare the Request for Proposals (RFP). It is important, too, that the client be given adequate notice, so that as soon as the renewals come in, the RFPs can go out. RFPs may precede renewals, but proposals likely won't be issued without them.

2. Gather demographic/census data from client (one week; ten weeks out)	■			
3. Prepare and send RFPs to competing carriers (one week; nine weeks out)		■		
4. Procure renewal from incumbent carriers (eight weeks out)		■		
5. Procure proposals from competing carriers (two weeks to get them right, seven weeks out)		■	■	

When the competing proposals come in, they are negotiated. It is not unusual to share proposals from competing carriers. After several rounds of concessions a presentation can be prepared for the client.

6. Leverage competing proposals against renewals (one week, six weeks out)		■		
7. Prepare renewal and alternative presentation for client (same one week, six weeks out)		■		

During and after the client presentation, additional alternatives are requested and strategic direction forms during a question and answer period.

8. Q & A period (one week; please, only five weeks out)		■		
9. Client makes decisions, Carrier, Plan design, Payroll deductions (only 5 weeks to go!)		■		

At this point, the enrollment process is planned. If change is minimal, it can be passive. If carrier or significant plan design changes are required, it will be very active. In either event, employees must be presented with their choices using one or more mediums.

10. Plan communication/enrollment process (one week; only four weeks to go)		■		
11. Assess data /paper /signature requirements from employees (same one week; only four weeks to go)		■		
12. Prepare enrollment guide/web portal (same busy week; only four weeks to go)		■		
13. Order/prepare/ distribute carrier communication and enrollment materials (same crazy week; only four weeks to go)		■		
14. Presentation to employees (timing depends on logistics; three weeks to go)			■	

There must be a way for them to get questions answered and to have their choices collected. Those choices must be interpreted and distributed for payroll deduction and carrier eligibility purposes.

15. Gather employee data/ enrollment forms/ salary reduction agreements (three weeks to go)			■	
16. Process paper/data and submit to carriers (three weeks to go)			■	
17. Convert to payroll deduction data (two weeks to go)				■
18. Process/adjudicate stragglers (last two weeks)				■ ■

After the data or forms have been delivered to the carriers, it can't be assumed that ID cards and SPDs will be timely, correct or delivered to the right people. They all need to be tracked and checked.

19. Track production/ delivery/distribution of ID cards/certificates/forms (last two weeks and two weeks after renewal effective date)			■ ■ ■ ■	

Every year, something comes up, decisions are made on the fly and learning takes place. Take the time shortly after to process to review what worked well and what could be improved. Don't learn the same things twice.

20. Debrief (four weeks later)				■