

# **Trends in Health Plan Designs, Administration, and Claims Regulation – SWBA Conference**

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# The world is changing faster than ever..

## Workforce trends



Of all age groups, millennials, or “Generation Go,” are the most likely to quit a job because of substandard technology. **82% said that workplace technology** would influence their choice.

## Technology and transformation



In 2017, almost **50% of organizations** plan to adopt mobile-enabled human resources (HR) processes – a significant increase from 13% in 2014.

## Workforce expectations and engagement



**By 2025, 75% of the world’s workforce will be millennials**  
**75% of millennials** want the ability to work flexibly and still be on track for a promotion.

## Workforce mobility and enablement



By 2020, it is expected that in the workforce 1 in 4 organizations will be at least **30% contingent workers**.



**72% of executives** said the need for globally mobile employees will increase during the next 2 to 3 years.

# Healthcare Benefits

## Market insights

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- ▶ Trend is to continue offering an HSA-eligible HDHP alongside another medical plan choice, where about 1 out of 3 of covered employees are enrolled in HDHPs
  - PPO plan remains to be the dominant medical plan type for both active and pre-65 retiree populations
  - Most employers offer an HSA-eligible plan as a choice, rather as a full replacement
- ▶ Employers continue to manage health plan costs via different components, including plan design and vendor network (ACOs included), with top focus on specialty drug cost and monitoring/managing high-cost claimants
- ▶ Defined contribution approach continues to grow for retiree coverage subsidy
  - Employers are moving toward either elimination of post-65 retiree medical subsidies and/or offering private exchange with Health Reimbursement Account amounts
- ▶ Private exchanges for active employees
- ▶ Employers use voluntary benefits to add value without additional cost to employers
- ▶ Use of transparency tools and telemedicine as cost mitigation strategies, with communication being key to their success
- ▶ Continued investment in wellness programs

# Administration Market insights

## Technology

- ▶ Shifts involving large technology platforms
- ▶ Enhanced user tools, technology and experience
- ▶ “Big Data” and data analytics
- ▶ Expanding portals

## Vendor/client Relationship

- ▶ More transparent pricing (but still not perfect)
- ▶ Continued consolidation and partnerships to provide full service
- ▶ Ongoing acquisition of Specialty HR & Benefits Services providers by SAP, Oracle, PeopleSoft and other major service providers
- ▶ Workday will continue to expand capabilities
- ▶ ROI based Wellness & Safety Programs

## Vendor Offerings

- ▶ Movement towards digital/social media platforms
- ▶ Enhance exchange offerings
- ▶ Delivery center capabilities including expanding multi-channel communications, and select use of offshoring some services
- ▶ Emphasis on employee self service, manager self service, HR portals, and paperless administration
- ▶ Globalization of payroll, HRIS & Administration Services