

BENEFITS ADMINISTRATION 101

Benefits administration is the process of establishing, maintaining, and managing benefits for the employees of an organization.

mid
1900s
Outsourcing benefits administration first emerged.

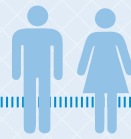


Percentage of Lockton clients who use or plan to use an online benefits administration system.



Percentage of Lockton clients currently using an online benefits administration system.

\$3-\$6 Per Employee, Per Month



Cost of a core benefits administration online solution.*

*Additional \$0.25-\$6 per employee, per month for additional functionality (i.e., call center, FSA/HSA/HRA, COBRA, etc.)

>50%

Percentage of employers that believe benefits administration will be more complex, as a result of health reform. (ADP case study)



Approximately **72%-82%**

of employers have 1/1 effective dates.

Percentage based on anecdotal feedback from Lockton vendor-partners

Decisions, Decisions

Best of Breed Benefits Administration System

>>> vs. <<<

Comprehensive HRIS Platform with Benefits Administration Component

Benefits Administration system functionalities include:

- ✓ Life Events
- ✓ Defined Contribution
- ✓ Communications
- ✓ Total Compensation Statements
- ✓ Decision Support Tools
- ✓ Call Center
- ✓ COBRA Administration
- ✓ HSA, FSA Administration
- ✓ 401(k) Administration
- ✓ Premium Billing Reconciliation
- ✓ ACA Reporting



Emerging Trend

Offsetting the cost of benefits administration with voluntary benefits and carrier subsidies.

IMPROVES



- ✓ Vendor Selection
- ✓ Implementation Oversight
- ✓ Project Management
- ✓ Situational Analysis

