



# A BUYER'S CHECKLIST FOR **DECISION SUPPORT**

For Employers, Brokers, & Enrollment Platforms



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# TOP REASONS WHY **EMPLOYERS OFFER BENEFITS**

**73%** RETAIN EMPLOYEES

**56%** ATTRACT EMPLOYEES

**51%** STAY COMPETITIVE WITHIN THE INDUSTRY

6 in 10 employers believe their top benefits communication objective is to make sure employees understand their benefits.\*

## Do employers do a good job of explaining how benefits meet employees' needs?

### Employer Views of Communication Success

How successful is your current benefits communication approach?



■ Successful ■ Somewhat Successful ■ Not Successful

### Employee Views of Communication Success

Do employers do a good job of explaining how benefits meet employees' needs?



■ Agree ■ Neutral ■ Disagree

\*LIMRA, Workplace Benefits Resource Guide 2019.

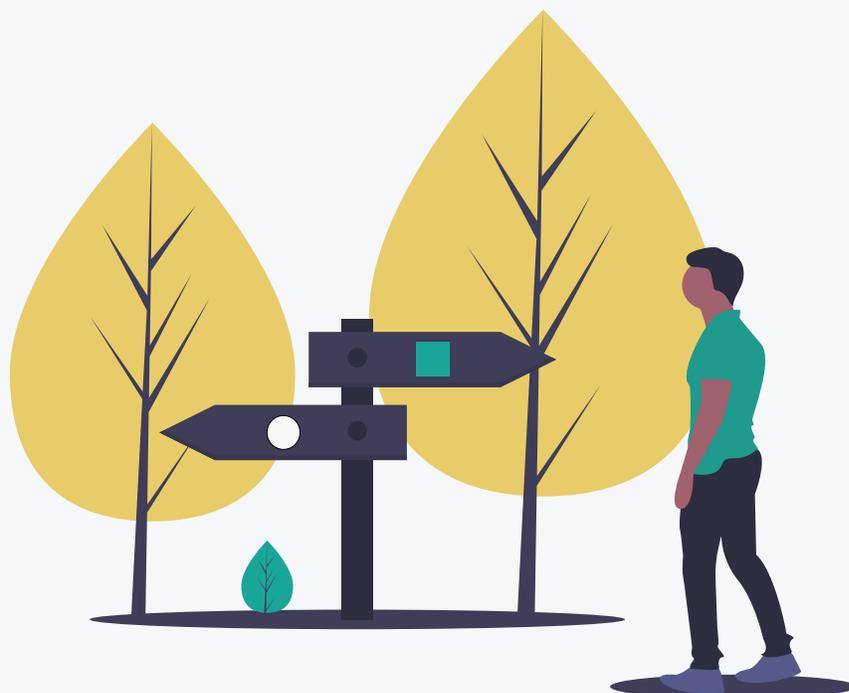
Chart Source: Crossed Signals, *The Benefits Communication Disconnect*, LIMRA, 2016.

# WHEN DO EMPLOYEES NEED **THEIR BENEFITS** CLEARLY COMMUNICATED?

**Open Enrollment:** Increase employee perceived value of benefits at the most opportune time; when they're actively thinking about their benefits. Open enrollment is a crucial experience to take control of and retain as many high performing employees as possible.

**New Hires:** With the average turnover rate at 22% in the US\*, that's a lot of time spent onboarding new employees. Impress them with your benefit and technology investments along with providing a personalized approach to benefit guidance.

**Qualifying Events:** Life happens – good and bad – and employers have an opportunity to provide extra support at those moments and make sure benefit elections provide the financial security employees need.



# WHAT IS **DECISION SUPPORT?**

Decision Support has become an employee benefits industry term, but its name derived from its basic definitions.

**decision** (noun)\*

de·ci·sion | \ di-'si-zhən \

a: the act or process of deciding the moment of decision has come

b: a determination arrived at after consideration: CONCLUSION

**support** (verb)\*

sup·port | \ sə-'pōrt \

A: to promote the interests or cause of

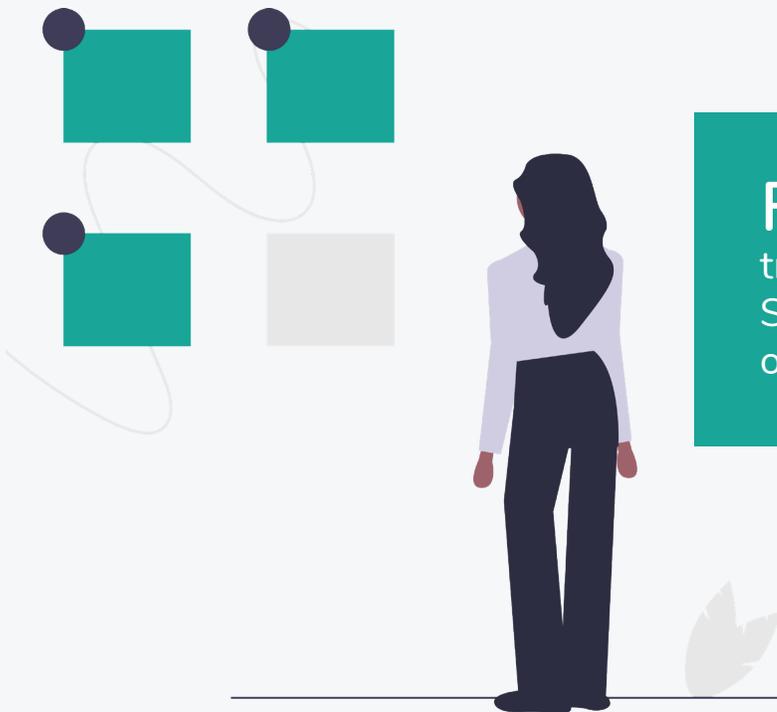
B: To assist, help

A decision support tool is a piece of technology that enhances the employee experience, and is specifically aimed to explain their benefit options and give realistic, personalized recommendations. The tool takes into account benefits that are best suited for the employee's unique situation and are based on math and real dollars rather than inertia or emotion. It's the best tool to nudge employee behaviors and improve benefit satisfaction and communication.

**PS:** Decision support does not necessarily equal the act of enrolling in benefits. It is most commonly leveraged as a 'pre-enrollment' experience.

## In order to be considered a legitimate decision support tool, it must have the following criteria:

- 1 Personalized recommendations are given to employees based on their unique circumstances
- 2 Empowers better decision making
- 3 Educates employees throughout the experience
- 4 It is software at its core



**FYI:** Plan Comparisons sometimes try to mask themselves as Decision Support, but they only 'compare' options with no personal context.

# DECISION SUPPORT

## CANDIDATES

Decision Support is a great addition for employers of all sizes and industries, but it's a must-have for these four groups:

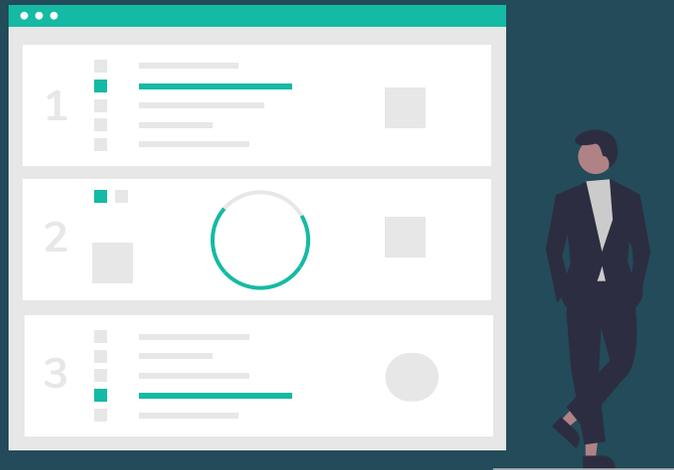
**Change Agents.** Concerned that employees are over or under-insured? Maybe they're not taking full advantage of a Health Savings Account or they're missing an employer match to the retirement plan? Decision Support is a no-brainer for employers wishing to nudge employee behaviors.

**Compliance Conscious.** Benefits are confusing enough. You can bet employees are getting help from somewhere. The question is where? If the HR team is fielding employee questions at election time, best give them a resource that is objective, documented, and standardized. Legal and compliance departments will thank you!

**Generous Recruiter.** For organizations using generous benefits as a cornerstone of the recruiting and retention strategy, it's worth it to go the extra mile to communicate the value of the benefits package. After all, benefits are only as generous as they are valued by the employees!

**Demographically Diverse.** Employees want information the way they want it. The more diverse the employee preferences, the more communication options the employer should offer. Decision support is a great way to supplement or even replace in-person meetings and benefits booklets.





# 3 FACTORS

## TO ASSESS DECISION SUPPORT TOOLS:

There's a lot that goes into decision support tools and it can be overwhelming to understand how to assess which tool may be best for your organization. We've broken it down into 3 categories:

- 1 Product Features
- 2 Data
- 3 Implementation



# 1 COMPARING FEATURES

As with all technology products, different features are available — some are must-haves and some are just nice-to-haves. Understand your priorities by first understanding the employee group — what are their strengths and where is there room for improvement?

## Critical Questions

**Jargon-free** — How does the decision support tool help employees understand what benefits are without the confusing terminology?

**Scope** — What benefits are included? Health insurance? Voluntary benefits? Tax-advantaged accounts? Retirement savings? Compare what benefits are included in the tool's features to the benefits offered to employees.

**Independence** — Is the tool designed to help employees make the best decisions for their circumstances? Does it overtly or subvertly promote a particular product regardless of the employees' objectives? Ask if the tool has any incentives tied to which or how many products are recommended.

**Desktop/Mobile Friendly** — Where can employees access the tool? To help figure out what's a priority, look into what device most of your employees are on when they enroll in their benefits.

**White-labeling Capabilities** — Is the tool available to white-label on behalf of an employer group, broker group, or other organization? If this is important, who is it important to and why?

**Languages** — What languages does the tool come in? What languages do employees speak?



# DATA

## LET'S BREAK THIS DOWN

“Data” can mean a ton of things these days, but we’re going to talk about it in two ways:



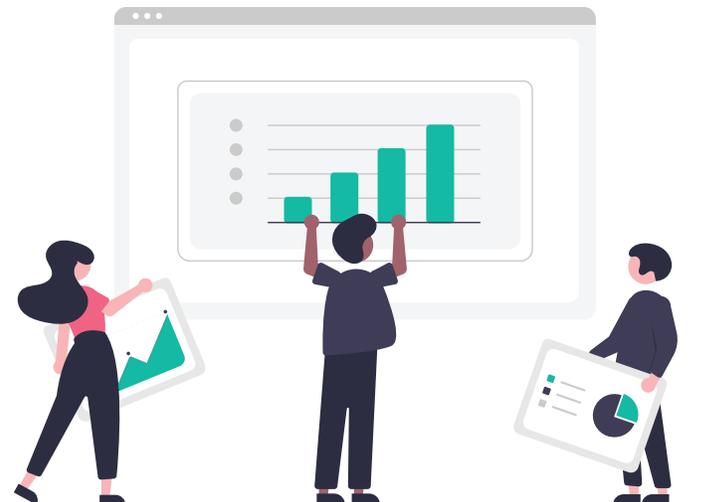
### **Data within the system(s) itself.**

Where it comes from, who owns it, is it confidential, are there privacy and/or HIPPA concerns, etc. With any technology system, these questions are essential to understand the basics.



### **Data used to calculate benefit recommendations to the employee.**

What plan data is known, how are medical costs estimated, how are recommendations calculated, what is the employee input, etc. Each tool has a different approach (i.e. algorithm) to this data question. Different philosophies can show different priorities that may or may not align with your organization’s approach to benefits.





## Does the tool rely on past claims data or other protected health information (PHI)?

While a feature many decision support tools boast, the reality of claims data is that it's backwards looking. Planning for the future cannot be relied upon by past data. Additionally, claims data integration can typically complicate the implementation process by requiring HIPAA protections and increase likelihood of data exchange errors. More so, claims data and other 'big data' approaches generally receive pushback from employees and employers who are worried about who has access to their personal information. While more data can mean there's more personalization, there's always an associated cost — these days, data is never free.





### **Is the data tied to a specific employee user ID?**

In order for a decision support tool to make the most personalized recommendations and have the best user experience, it's essential that the tool knows which employee is which during the experience. Individual login credentials means that standard demographic information like name, dependents, zip code and income information are pre-populated and guarantee customized recommendations while at the same time protecting privacy and security. This capability is tied closely to the technology vendors or infrastructure in place and is a great question to explore with internal IT teams.



### **Is data entered from the employee confidential?**

Employees can be entering sensitive medical information like anticipated prescription needs or medical procedures. The tool needs to keep that information confidential. It is also important to clearly communicate to the employee that information will indeed be protected and kept confidential.



## What data is used to make employee recommendations?



### Is the data tied to any other third party?

For example, is the tool getting paid on product commissions from the carrier? Is the tool tied to its enrollment results? The best decision support tools are third-party agnostic tools that give recommendations that are in the best interests of employees and are not altering any algorithms to increase product commissions.



### Does the tool project medical expenses and if so, how does it ensure accuracy?

Health cost projections are a key driver in evaluating core insurance options, but it's not an exact science. After all, one purpose of insurance is to transfer risk for unexpected events. However, effective decision support should help an employee think briefly about their household's expected utilization and risk tolerance for the unexpected.



### Is the use of the data clear and easily understood?

At the end of the day, decision support tools are not black boxes that run artificial intelligence. They are software tools that are developed to do complicated calculations and engage and educate employees along the way. Tools that show the math and walk employees through have a much larger impact than those that wish to keep their formulas hidden.

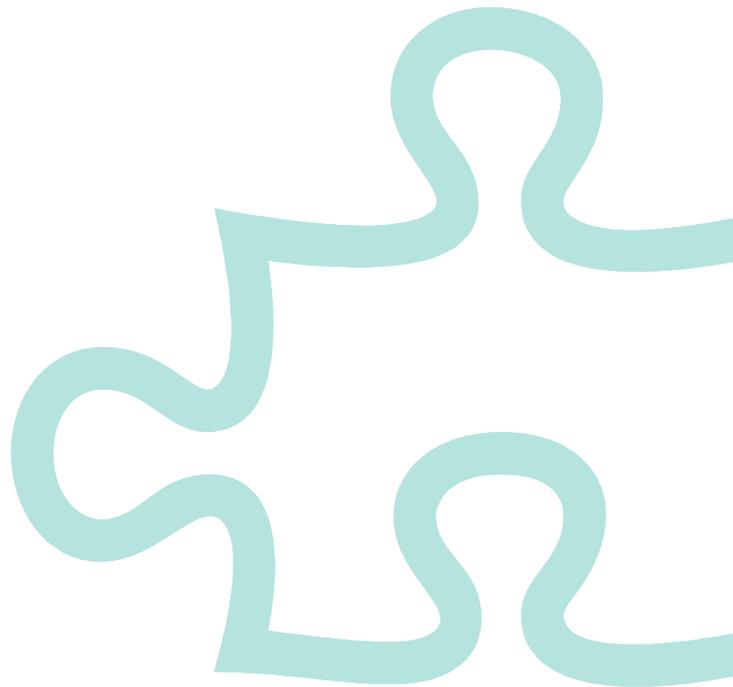


# 3 IMPLEMENTATION

Implementation can seem daunting, but there are decision support tools out there that can be up and running in less than two weeks. Oftentimes, it's not just HR, but a larger group of people that need to be involved during implementation. While it can take a bit more organization and communication, it's worth it to have the key players involved from the start. This includes any brokers on the plan as well as any other technology systems. A company's technology team is a key player. Together, all of the stakeholders can understand how best to incorporate the tool into the current processes.

## CRITICAL QUESTIONS:

- How long does it take for the decision support tool to be up and running?
- What training is necessary?
- Is there a way to beta-test the tool?
- Is open enrollment the best time to launch a decision support tool?
- Who is leading the charge on offering this new tool?
- What is the role for each entity involved?





## The benefits data has to come from somewhere... right?

Benefit plan summary data is typically needed to calculate any benefit plan recommendations regardless of decision support vendor. Understanding who has access to this data, who's uploading it to the tool (Manually or automatically? Where? How?) are basic process questions to understand clearly.

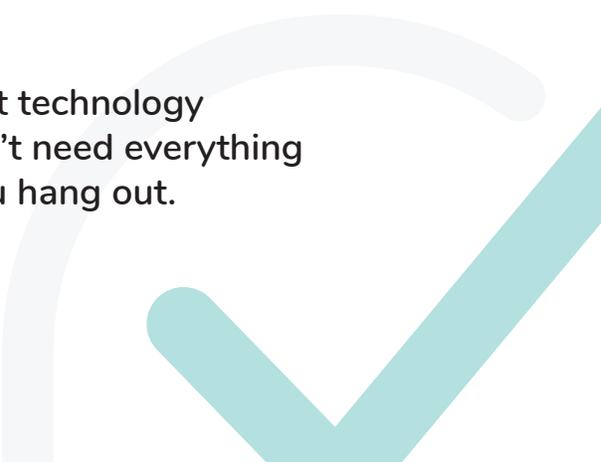
PERKY

# DECISION SUPPORT

## So... who are we?

We're PERKY and all we do is decision support. Literally. Which means we have the time, resources, and flexibility to make it as awesome as possible. And we also understand the benefits ecosystem.... There are a lot of players involved, and our tech is built to play nice with everyone.

### Top 5 Reasons PERKY is awesome (and different):

1. Our user experience is modern, engaging, and prescriptive.
  2. Robust benefit offerings are included in our decision support: health, wealth, and voluntary benefits, tax optimization recommendations, and consumerism education.
  3. We understand how benefits work and give advice that's only in the best interest of the employee.
  4. We only partner with best in class technology solutions to keep client data protected and secure.
  5. We make integrating within your current technology resources as simple as possible. We don't need everything to be about us, we'll hang out where you hang out.
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# ABOUT **PERKY**

We're a passionate and growing team of benefit evangelists and brilliant tech wizards on a mission to empower employee benefit decisions. Meticulous, inspired, and flexible. We pride ourselves in offering personalized, trustworthy guidance on health, wealth, and voluntary benefits.

Founded in Rochester, NY we collaborate with third party platforms, brokers, TPAs, and employers to serve hard working employees across the country. Through cutting edge software, PERKY is creating and distributing decision support that employees are craving.





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