



June 2011

Banyan Consulting is pleased to present our monthly newsletter. We hope the articles in this and future editions will provide insight into an array of employee benefits topics.

We appreciate your feedback! If you have a topic for future discussion, please let us know.

## **Eight Questions to Ask When Choosing a Wellness Program Vendor**

Of American businesses with at least 50 employees, 80% have some type of health promotion program. Furthermore, a study by the Integrated Benefits Institute found that almost 70% of American companies said they would increase the money available for at least one health or productivity management initiative.

It's the HR department that will likely be faced with finding a wellness benefits vendor. Just considering the various ways that different providers price and bundle their services, can be a daunting task to find the right wellness vendor. Benefit personnel should keep these eight questions in mind as the search starts:

### **1. Are Wellness Programs Integrated?**

Keep in mind that the program's effectiveness and success hinges on how well it's built to accomplish an end goal. The provider should be willing and capable of designing integrated wellness programs. Here's an example - the provider develops an online health risk assessment (HRA), employee communications about HRAs, an incentive program to promote the HRA getting completed, and then records and reports the HRA data to your company in an easily accessible manner.

## **2. Is Customization An Option?**

Customization is something that may or may not be offered, may or may not be charged for, and may mean something very different from vendor to vendor. Determine if there will be additional fees for customization services and what the vendor considers customization. One company may consider color options customization. Meanwhile, another may mean the ability to fine-tune the program to the needs of your workforce. If a vendor can't provide you with clear, upfront answers to your customization questions and/or can't create wellness strategies and programs that fit your company, then you might want to look elsewhere.

## **3. Pricing?**

First, ask vendors if they have a minimum size requirement for any of their wellness programs. Second, ask each vendor how they've structured their prices - per employee, flat fee, per screening, per participant, etc. Third, ask each vendor about additional and hidden fees, such as for HRAs, special reports, online setup, and branding.

## **4. How Are Services Delivered?**

Services can be delivered by phone, internet, postal, or on-site. Of course, the ideal provider will be capable of all these options and be able to determine the right combination to reach your workforce. Additionally, you may want to ask if the vendor subcontracts third parties to administer services -or- uses their own staff. The use of subcontractors could mean different people giving vaccines, managing a website that your employees submit their health data to, and conducting health coaching. Keep in mind that such variables could impact the quality of service.

## **5. Is Legal Compliance Guaranteed?**

To protect your company from legal actions, it's crucial that the vendor guarantees in writing that they'll maintain compliance with PPACA, HITECH, HIPPA, ERISA, and GINA regulations to help you ensure your wellness program is legally compliant. Such an agreement is especially important for multi-state companies, as each state may have different regulations.

## **6. Is The Vendor Experienced And Reputable?**

Due to the rapid growth of the wellness industry over the last decade, there are a lot of newbie wellness vendors. It may be worth choosing program offerings and outcomes over name recognition. You might do some research to determine if one of the lesser known vendors has had success with businesses similar to your business in size, employee population, or trade.

## **7. Will The Vendor Remain Compatible If I Change Health Plans?**

Just because a vendor is compatible with a current health plan doesn't mean that compatibility will remain if you were to change plans. A recent study by J.D. Power & Associates found that six in ten business haven't used their current insurance company for more than five years. Health plan compatibility will also be a major concern for multi-state companies that may use several different health insurers.

## **8. Is The Vendor Accredited?**

Determine if the vendor is accountable to an accrediting body, such as the National Commission for Health Education Credentialing or National Committee for Quality Assurance. In addition, you can check a vendors quality assurance by looking at their service recovery policy, success rate, and defect rate.

## **Medicare Part D Notification Deadline Change**

The Medicare Part D enrollment period has been changed to October 15 through December 7 for 2012 and all future Part D enrollment periods. This change will require employers to update their notices of creditable or non-creditable coverage and most likely will require employers to provide the notices by October 15, 2011.

CMS has released updated Creditable and Non-Creditable model notices, which can be found [here](#).

If you have any questions about this deadline change, please feel free to contact a member of your Banyan team.

## **Banyan Human Resources Conference Continues Strong Tradition of Providing Valuable Information to HR Professionals**

May 31, 2011 - Today, Banyan Consulting announced the highlights of its 11th Annual HR Conference held in Hershey, PA on May 19th 2011. This year's conference had over 100 human resources professionals in attendance. The presentations focused on Health Care Reform, employment law, and the state of the economy. In addition, a Family Medical Leave (FML) Outsourcing panel discussion gave audience members a chance to ask questions and share best practices on a topic that is a challenge for many employers today.

A new addition to this year's conference was Banyan's Benefit Boot Camp. The separate seminar, which ran concurrent to the conference, covered benefits areas such as group life & disability basics, medical plan funding and retirement plan fiduciary responsibility. The "camp" was designed as a learning opportunity for HR support team members and a refresher course for the more seasoned HR professional.

Here's what some conference attendees had to say about their experience:

"Excellent! FML Outsourcing was very pertinent. Great panel!"

"Out of all the conferences/seminars that I attend - this one is the best!!"

"Entire day was excellent! Thank you for the Boot Camp!"

"This was an event that was well worth my time to attend! Very informative and fun!"

For more information about this conference and future Banyan consulting events, please visit our [Events Schedule](#).