

Tech Company sees 99% Employee Response Rate with Dependent Verification

WINTER 2010

A CASE STUDY

Industry:

Technology

Business Challenge:

Attractive employee benefits at an affordable price.

Solution:

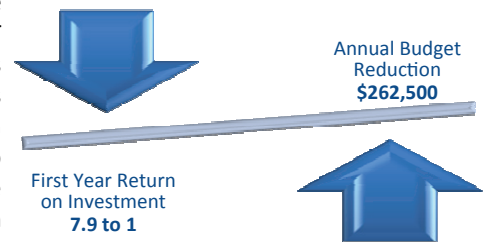
ContinuousHealth's DA² solution for dependent eligibility verification.

Results:

ContinuousHealth found 4.2% of dependents currently covered ineligible for benefits coverage. By removing these dependents, the project identified a potential annual bottom-line savings of more than \$262,500.

Business Challenge

A global leader in cloud infrastructure and hosted IT solutions for enterprises placed a high value on employees. They sought to attract the best in the field in order to fulfill the needs of the leading IT organizations around the world. A main factor in its ability to attract top employees is its comprehensive and substantial benefits plan. With the rising cost of health care, leadership understood that if the company wanted to continue to offer competitive benefits, the use of health plan assets needed to be evaluated.

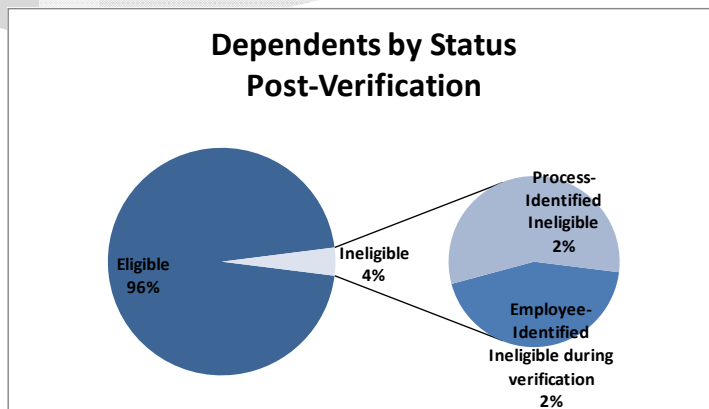


Solution

The company realized that a dependent eligibility verification project was the answer. After researching the options, leadership settled on ContinuousHealth as a trusted technology company offering the DA² Solution, a verification project with which it had seen success for similar companies.

The two-part approach to ContinuousHealth's DA² Solution was appealing because it was in alignment with the company's corporate ideology on employee care. The first part, Dependent Audit, began with identifying ineligible dependents, an exposure risk that regularly makes up 5-12% of group plan participants. The second part is a soft landing, the Dependent Alternative, to ensure proper treatment of employees during and after the project. The Dependent Alternative offers the opportunity for employees to utilize a voluntary and confidential integrated solution, managing hundreds of non-group health insurance alternatives, in order to find coverage for dependents identified as ineligible during the Dependent Audit.

ContinuousHealth's proprietary technology proved invaluable for the verification. As a global operation, the technology company knew the identification of ineligible dependents would be difficult to manage without the aid of a third-party. In the U.S. alone, employees were spread across 36 states and traveled extensively, which was a threat to the success of the project because mailing addresses lacked reliability. ContinuousHealth's proprietary technology, however, offered multiple touch points, solving the inaccessibility issue. Employees contacted the DA² team by regular mail, email, secure portal access and the toll-free call center, which offered extensive hours.





ContinuousHealth handled the audit very professionally. The ContinuousHealth staff was easy to work with and they responded to our inquiries quickly. We were so pleased with the job that ContinuousHealth did that we are continuing our partnership to audit dependents that are new to our plans.

Benefits Manager

Total Savings	
Total Ineligible	105
Average Annual Cost Per Dependent	\$2,500
Current Projected Annual Savings	\$262,500.00

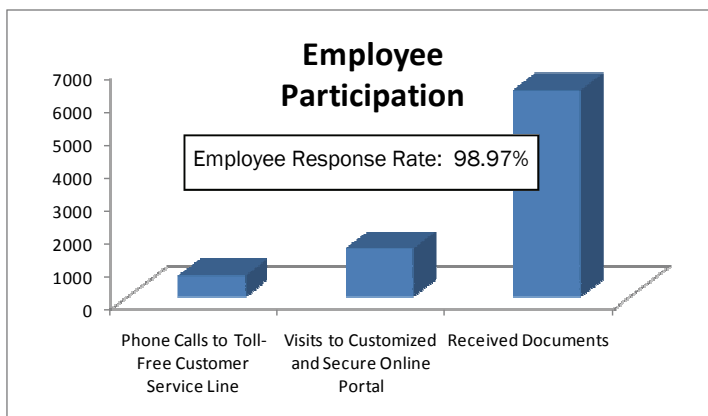
As the verification project ended, it became apparent to the leadership that the problem of compliance would not be solved with a one-time effort. The problem of ineligible dependents is continual, as new hires and life events cause enrollment to fluctuate throughout the year. ContinuousHealth created a customized answer to the request: the DA² Ongoing Solution.

Following the same parameters as the original verification, as qualifying events occur, employees receive customized communication with organized timelines. Employees participating in the ongoing verification receive the same level of attention and care as the technology company had come to expect of the DA² team during the original verification. The Human Resources team remains free to focus on other aspects of its work while maintaining clean, compliant health insurance records.

Results

The DA² solution identified 4.2% of dependents on the group health plan as ineligible, giving the company an 8 to 1 return on its investment and saving more than \$260,000 in the first year alone.

ContinuousHealth met the primary threat to the project—the widespread employee geography—head on. Employees utilized the varied proprietary technology opportunities, calling in and logging on to the portal more than 2,000 times. Employees submitted more than 6,000 documents and achieved a nearly 99% employee response.



Eligibility Matrix

Dependent #/Type	Eligibility Criteria	If all criteria are met, the following documents are required
1 Spouse	• The person is currently your legal spouse.	• A copy of your marriage license AND • One form of dated (within 6 months) documentation establishing current marital status such as: a joint household bill, joint bank/credit account, joint mortgage or lease, or front page of your jointly filed federal tax return (with blacked out financial information) or front page of your individually filed federal tax returns both showing common current address.
2 Common Law Spouse	• This person is currently your Common Law Spouse as recognized in the states of: AL, CO, GA (if created before 1/1/97), ID (if created before 1/1/96), IA, KS, MT, OH (if created before 10/10/91), OK (if created before 11/1/98), PA (if created before 1/1/05), NJ, SC, TX, UT and The District of Columbia.	• Affidavit of Common Law Marriage (may be obtained by contacting ContinuousHealth) AND • One form of dated (within 6 months) documentation establishing current status such as: a joint household bill, joint bank/credit account, joint mortgage or lease, or front page of your jointly filed federal tax return (with blacked out financial information) or front page of your individually filed federal tax returns both showing common current address AND • In those states with pre-dated qualifications (GA, ID, OH, OK and PA), a form of documentation that shows proof of joint residency or property ownership prior to the qualifying date.
3 Natural born child	He or she is: • Your natural born child AND • Unmarried AND • Under age 19.	• A copy of the child's birth certificate naming you as the child's parent.
4 Natural born child - overage full-time student	He or she meets the same requirement as Natural Born Child BUT • The child is at least 19 years of age and until they turn 25 AND • Has been enrolled as a full-time student during the 2010 calendar year OR • Is within the first 12 months of a medically necessary leave of absence from school due to a documented illness or injury as defined under Michelle's Law.	• Same as for Natural Born Child AND • Documentation showing enrollment in full-time school during the 2010 calendar year OR • Verification of enrollment as a full-time student within the previous 12 months AND • A doctor's certification of a medically necessary leave of absence from school.
5 Natural born child - overage disabled	He or she meets the same requirement as Natural Born Child BUT • The child is over the age of 19 AND • A child who is physically or mentally incapable of self-support if the incapacity occurred before	• Same as for Natural Born Child AND • Statement of Disability verified by insurance provider must be on file with Human Resources.

As a result of the DA² project,

employees were cared for and leadership saved important benefit dollars without reduction in employee benefits coverage or provider changes. The implementation of ContinuousHealth's Ongoing DA² dependent verification ensures that the technology company will continue to care for employees in the most financially responsible way possible.



ContinuousHealth reduces healthcare costs by simplifying the increasingly complex choices in healthcare insurance.

We integrate proprietary technology to create unique, turn-key applications that deliver immediate return on investment for employers and individuals.