

Joint Labor-Management Benefits Committee (JLMBC) COMMITTEE REPORT 18-55

Date: November 1, 2018

To: JLMBC

From: Staff

Subject: **Benefits Third-Party Administrator (TPA) Transition Update and Member Portal Demonstration**

JLMBC MEMBERS

Management

Wendy G. Macy, Chairperson

Neil Guglielmo

Rich Llewellyn

Tony Royster

Matthew Rudnick

Employee Organizations

David Sanders, Vice-Chairperson

Paul Bechely

Chris Hannan

Steve Koffroth

William Violante

RECOMMENDATION

That the JLMBC receive and file the LAwell Civilian Benefits Program (LAwell Program) TPA transition update for September-October 2018.

DISCUSSION

A. Benefits Third-Party Administrator Transition Background

At its special meeting on January 4, 2018, the JLMBC recommended the selection of Morneau Shepell (Morneau) as the TPA for the City of Los Angeles LAwell Program pursuant to a Request for Proposal (RFP) for benefits TPA services that was released on May 8, 2017. At that meeting, the JLMBC also requested that staff provide regular status updates to the JLMBC on the progress of the transition.

Morneau has identified five stages guiding the implementation plan for successfully completing the transition. A brief description of the tasks involved in each of these phases is provided in **Attachment A**. These stages include:

- Pre-Implementation – Completed
- Discovery – Completed
- Design, Configure, and Build – In Progress
- System and Acceptance Testing – In Progress and continuing through 1st Quarter 2019
- Transition to Ongoing Support – Scheduled 1st Quarter 2019 to 2nd Quarter 2019

The first two of the five stages, Pre-Implementation and Discovery, entailed holding a series of workshops to identify the full scope of business requirements needed for plan administration. Workshops were also used to identify areas of potential administrative improvements and service enhancements.

B. TPA Transition – Current Status

Based on an implementation effective date of April 1, 2019, Morneau has developed a detailed implementation plan governing the transition. An updated implementation plan status is attached to this report as **Attachment A**.

Formal discovery workshops have concluded and a requirements workbook is being drafted detailing the business and systems requirements of each benefits administration process. The workbook forms a comprehensive business process document that governs administration of the plan. Morneau and staff continue to meet to develop and finalize components of the requirements workbook. Status of review/approval of each chapter in the workbook is as follows:

- Plan Analysis – Approval completed; acceptance testing in progress
- Site Access & Security – Approval completed; build and acceptance testing in progress
- Site Navigation & Content – Approval completed; build and acceptance testing in progress
- Participant Tools – Approval completed; acceptance testing in progress
- Administrator Tools – Approval completed; acceptance testing in progress
- Human Resources Information System – Approval completed; acceptance testing in progress
- Payroll – Workbook review and build in progress
- Reporting – Approval completed; build in progress
- Business Processes – Approval completed; build and acceptance testing in progress
- Billing Processes & Reporting – Workbook review in progress
- Carrier Premium Payment Processes & Reporting – Workbook review in progress

User Acceptance Testing and Member Web Portal Demonstration

Morneau has developed the member use web portal and administrator portal based on plan requirements outlined in the completed workbook chapters. Staff began acceptance testing of the member use portal in late September to October 2018 and has provided Morneau feedback and corrective revisions. Ongoing testing of the member use portal will continue through the end of the year with the final phase of the acceptance testing commencing in January 2019, when end users will be engaged for experience testing of the portal prior to the April 1, 2019 go-live date. Morneau will provide a live demonstration of the member use portal today before the Committee. Acceptance testing of the administrator portal and remaining administrator functions of the Ariel Benefits System by staff commenced on November 1, 2018 and will continue through December 2018.

Submitted by: _____
Paul Makowski

Reviewed by: _____
Jenny M. Yau

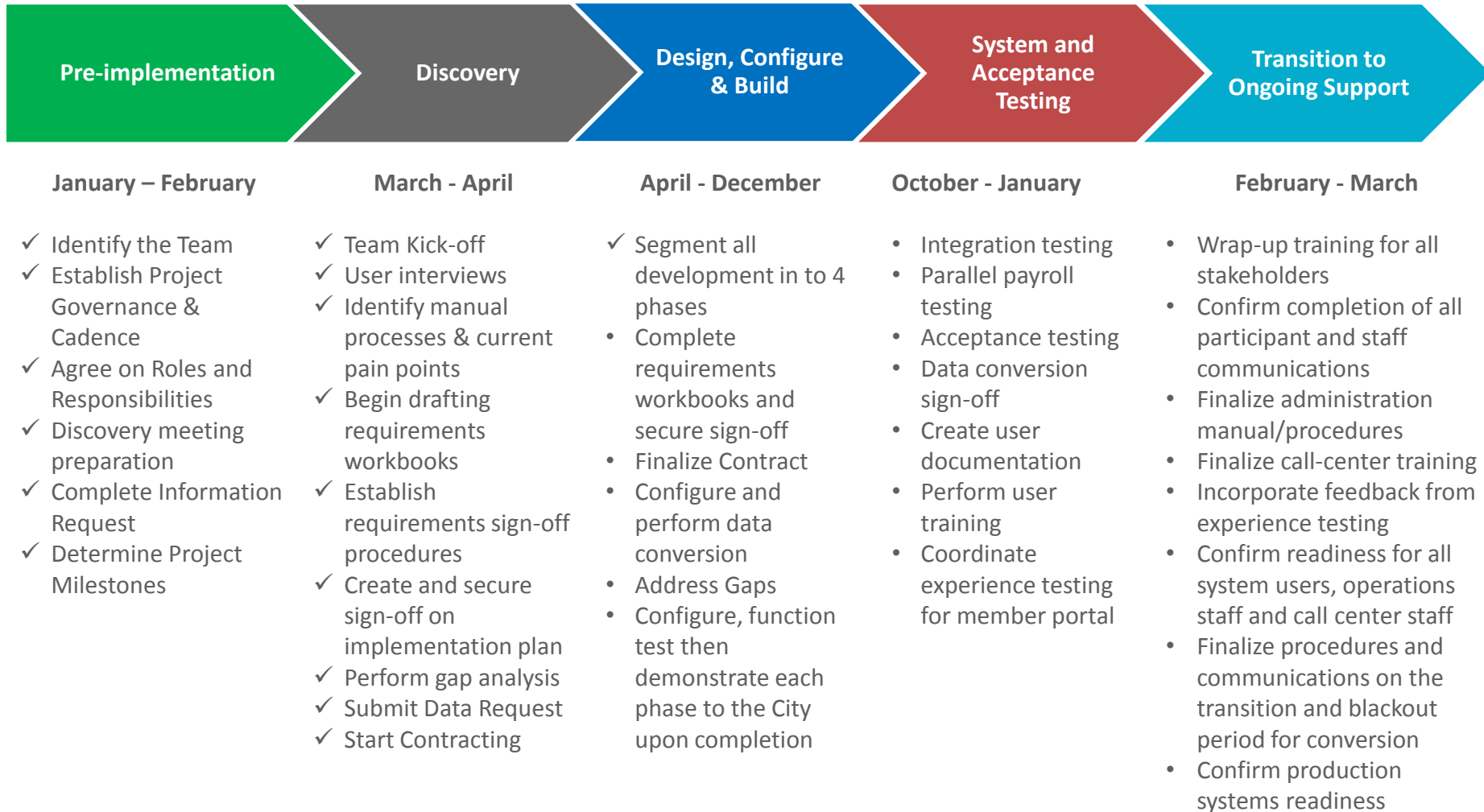
Approved by: _____
Steven Montagna

City of Los Angeles Benefits Administration Implementation Status

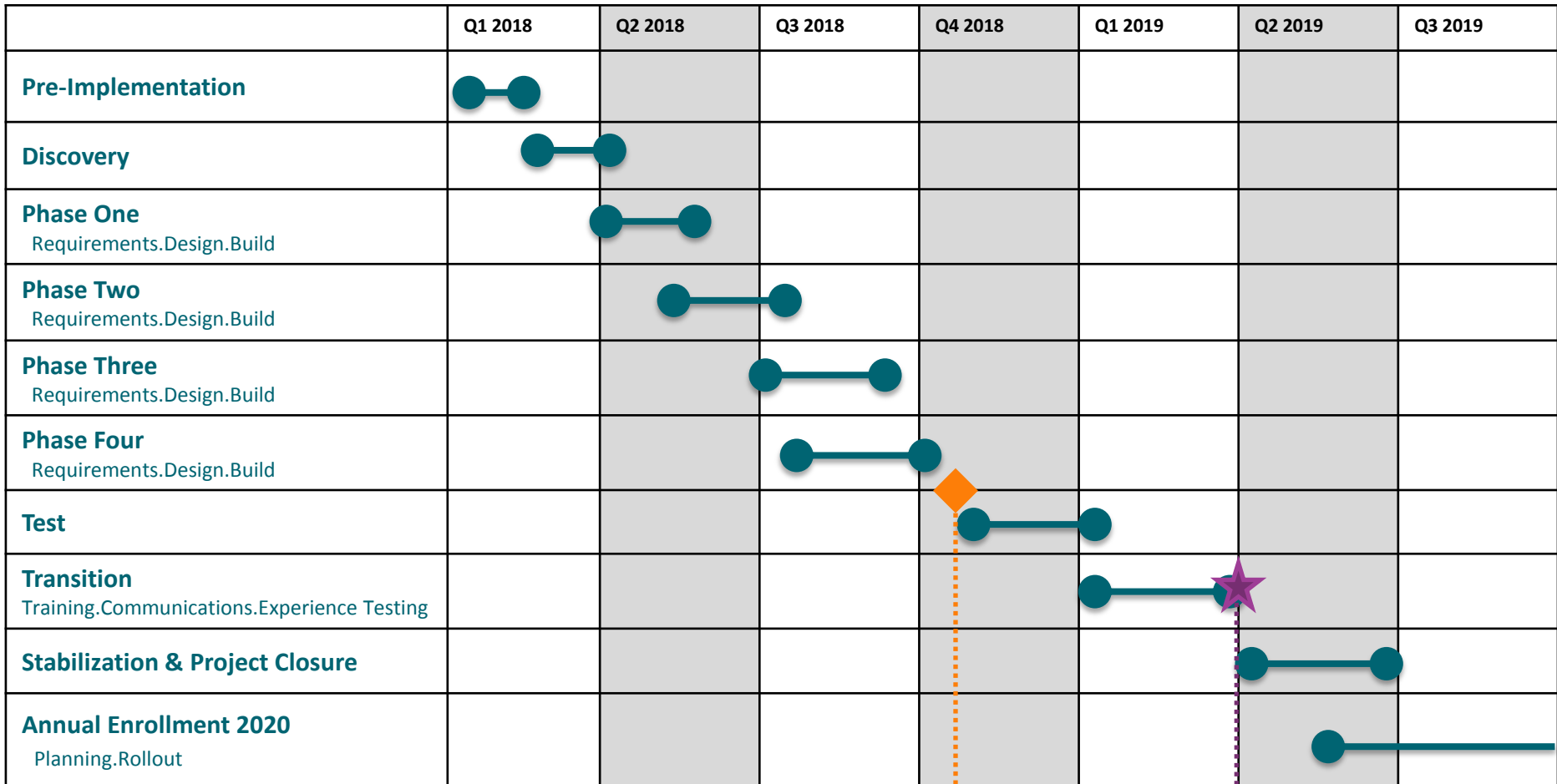
October, 2018



Implementation Stages



Delivery Schedule



2019 Annual Enrollment

Live Date

Proposed Milestone Dates

Milestone	Project Phase	Target Date	Status
Identify the team, roles and responsibilities	Pre-implementation	2/27/2018	Complete
Complete information Request	Pre-implementation	2/27/2018	Complete
Outline delivery schedule	Pre-implementation	2/27/2018	Complete
User Interviews	Discovery	2/28/2018	Complete
Outline requirements plan and sign-off procedures	Discovery	3/12/2018	Complete
Project Work Plan complete	Discovery	4/17/2018	Complete
Requirements Workshops 1 complete and client sign-off received	Discovery	5/4/2018	Complete
Requirements Workshop 2 complete and client sign-off received	Discovery	5/18/2018	Complete
Requirements Workshop 3 complete and client sign-off received	Discovery	6/7/2018	Complete
Requirements Workshop 4 complete and client sign-off received	Discovery	7/31/2018	In progress
Initial Data from Mercer to Morneau complete	Design, Configure, & Build	9/7/2018	In progress
Phase 1 Design, Configure and Build Complete (Member Portal)	Design, Configure, & Build	9/12/2018	Complete
Phase 1 Training Complete (Member Portal)	Acceptance Testing	9/18/2018 - 9/21/2018	Complete
Phase 1 Client Sign-off (Member Portal)	Acceptance Testing	10/12/2018	Complete
Begin Testing Interfaces with Carriers	Design, Configure, & Build	12/17/2018	In progress

Proposed Milestone Dates Continued

Milestone	Project Phase	Target Date	Status
Phase 2 Design, Configure and Build Complete (Administrator Portal, Demographic Interface)	Design, Configure, & Build	10/26/2018	Complete
Phase 2 Training Complete (Administrator Portal, Demographic Interface)	Acceptance Testing	11/01/2018 – 11/02/2018	In progress
Phase 2 Client Sign-off (Administrator Portal, Demographic Interface)	Acceptance Testing	11/23/2018	
Phase 3 Design, Configure and Build Complete (Payroll, Billing, Reporting, Finalize Member Portal)	Design, Configure, & Build	12/5/2018	
Phase 3 Training Complete (Payroll, Billing, Reporting, Finalize Member Portal)	Acceptance Testing	12/11/2018 – 12/13/2018	
Phase 3 Client Sign-off (Payroll, Billing, Reporting, Finalize Member Portal)	Acceptance Testing	1/14/2019	
Parallel Testing with Payroll	Acceptance Testing	1/21/2019 - 3/18/2019	
Experience Testing for Member Portal	Acceptance Testing	1/28/2019 - 2/8/2019	
Sign-off on Knowledge Base for the Call Center	Transition	2/8/2019	
Call Center Acceptance Testing Complete	Transition	3/21/2019	
Sign-off on Transition Plan Execution	Transition	3/22/2019	
Production Data Conversion Begins	Transition	3/23/2019	
Production Validation	Transition	3/28/2019	
Ariel Benefits System Live Date	Transition	4/1/2019	