

Joint Labor-Management Benefits Committee (JLMBC) COMMITTEE REPORT 19-14

Date: April 4, 2019
To: JLMBC
From: Staff
Subject: **Benefits Third-Party Administrator (TPA) Transition Update**

JLMBC MEMBERS

Employee Organizations

David Sanders, Chairperson

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Management

Wendy G. Macy, Vice-Chairperson

Neil Guglielmo

Rich Llewellyn

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RECOMMENDATION

That the JLMBC receive and file the LAwell Program benefits TPA transition update for March 2019.

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.

B. Transition Status

On April 1, 2019, the new benefits member portal and administration system, Ariel went live as scheduled. A summary of the key components used to track the status of the transition and project milestones is provided below and attached to this report as **Attachment A**.

(1) Implementation Stages

Morneau developed a detailed implementation plan governing the transition. This plan included five stages for successfully completing the transition. A brief description of the tasks involved in each of these stages is provided in **Attachment A**. Each phase of the transition plan as described below was completed as scheduled.

- Pre-Implementation – Completed
- Discovery – Completed
- Design, Configure, and Build – Completed
- System and Acceptance Testing – Completed
- Transition to Ongoing Support – Completed

(2) Conversion Data and Transition Timeline

Final conversion data (contains all member enrollment, dependent, and beneficiary information at the final point of transition) was successfully transferred from Mercer to Morneau on March 19 and loaded into the new Ariel benefits administration system from March 20 to 24. Additionally, Mercer provided Morneau with a daily reporting of all coverage changes from the date the final conversion data was prepared to the end of the month. This list of daily changes eliminated a system conversion “blackout period.” The key tasks and completion dates for the delivery and loading of the conversion data is provided in **Attachment A** and summarized below.

- Final conversion data provided by Mercer to Morneau – March 19
- Final conversion data loaded by Morneau in Ariel benefits administration system – March 20 to 24
- Daily reporting of all coverage changes by Mercer to Morneau – March 14 to 29
- Data entry of all coverage changes since final conversion data loaded – March 25 to April 5
- Mercer benefits member portal and administration system decommissioned – March 31
- New benefits member portal and Ariel benefits administration system live – April 1

(3) Benefits Member Portal and Ariel Benefits Administration System

The old benefits member portal and administration system, Benefits Workstation provided through Mercer was decommissioned on Sunday, March 31. The new benefits member portal and administration system, Ariel provided through Morneau went live at 12 am on Monday, April 1. For the week of April 1 to April 4, Morneau provided on-site staff support at the Employee Benefits Division located in City Hall to assist with transition management issues. This staffing resource was extremely valuable to be able to quickly and efficiently identify and resolve any issues as they arose.

(4) Eligibility and Payroll Data File Transfers

Several rounds of testing to receive and load eligibility files (provides member coverage information) between Morneau and each LAwell Program benefit service provider (Anthem, Kaiser, Delta Dental, EyeMed, The Standard, and WageWorks) has been completed. Additionally, testing between Morneau and the City Controller’s Office to receive and load an ongoing payroll file (contains member deductions associated with benefit plan selections) has been completed. LAwell Program benefit service providers are scheduled to receive the first eligibility file from Morneau on April 10 and the Controller’s Office is scheduled to receive the first ongoing payroll file on April 15.

(5) Communications

Transition Related Communications – Staff worked with Morneau and benefits consultant, Segal to complete a variety of member communications prior to the April 1 go-live date. An overview of the communications plan is provided in **Attachment A** and the status of each task is described in further detail below.

- *Announcement Postcard* – A postcard announcing the new Call Center phone number and launch of the benefits member portal was mailed to all LAwell Program members on March 26. A copy of the final postcard is provided in **Attachment B**.
- *New Hire Enrollment Guide* – A new hire enrollment guide which includes the new Call Center phone number has been completed and was sent to new hires beginning April 1. For new hires receiving an offer of benefits coverage from the end of January through March whose 60-day window to enroll into benefits coverage overlapped TPA service providers, a one-page summary insert was included with the new hire package instructing employees to contact the Morneau Call Center after April 1. Employees can also enroll into benefits coverage online. However, no change to the website address for the member portal was required as the member portal is provided through a link posted on www.keepingLAwell.com.
- *Instructional Flyer* – An instructional flyer providing step-by-step directions on how to use the new benefits member portal has been completed and will be made available to members through multiple channels – printed handouts, included as an insert with the new hire enrollment guide, and via download on the www.keepingLAwell.com website.
- *Instructional Videos* – A total of two videos providing instructions for member portal registration (video 1) and how to use the benefits member portal (video 2) have been completed. Both videos are posted on the member portal and the www.keepingLAwell.com website for members to access and view.
- *Citywide Email Announcement* – An announcement regarding the change in benefits TPA administrators and new Call Center phone number was included in the Personnel Department’s newsletter that is scheduled to be distributed to City employees via email on April 8, 2019.
- *Worksite Posters* – Staff worked with Segal to develop a worksite poster for City departments to display at various City worksite locations. Using the same layout and design as the announcement postcard, the posters provide members with the new Call Center phone number and information on how to register their account on the new member portal. A sample of the worksite poster is provided in **Attachment C**.
- *Announcement Guide* – A draft announcement guide has been completed and is provided in **Attachment D**. The announcement guide provides additional details regarding the transition and highlights the new service enhancements available on the member portal including the ability to upload documentation, review current benefits coverage and plan information, and review outstanding actions. The guide encourages members to register their account on the new member portal and take action to perform “anytime events” such as updating beneficiary information and email addresses. The guide also includes a Frequently Asked Questions section to address common questions that members have regarding the transition and new member portal. Lastly, the guide provides City labor organizations the ability to add the name of their organization and an organization logo, if desired. Staff will reach out to and work with labor organizations to provide this customized guide if so desired. The informational content provided in the guide will also be repeated in this year’s upcoming Open Enrollment materials for Plan Year 2020.
- *Website Update* – The www.keepingLAwell.com website was updated with the link to the new member portal effective April 1. Additionally, the announcement postcard and instructional videos were posted on the website for members to view/reference effective April 1. The instructional flyer and announcement guide will also be posted to the website in mid-April.

- *Enrollment Reminders* – Staff is currently monitoring the number of members who have an open/outstanding enrollment window as of April 1 and will send a reminder notification via mail providing them with the new phone number of the Call Center and reminding them that elections can also be made via the new member portal. Staff will also work with the Morneau Call Center to reach out to as many employees as possible who still have an enrollment window open after the initial reminder notification is sent to ensure that they complete their elections.

(6) Call Center

- *Call Center Forwarding Message* – The old Call Center phone number provided by Mercer was decommissioned at the end of business on Friday, March 29 (the Call Center is not open on the weekends). A forwarding message on the Interactive Voice Response (IVR) system was activated on March 30 directing members to the City’s new Call Center phone number. The IVR forwarding message will be active for 60 days.
- *Call Center Activity* – Staff will provide an oral update on Call Center activity and call volume at the Committee meeting as it was not available at the time this report was released.
- *Call Center Culture Day Training* – Staff conducted a two-hour culture day training with Morneau Call Center staff on March 27 to help them learn first-hand about unique aspects of the City’s LAwell Program, common areas of inquiry from members, demographics of Program members, current administrative processes and member expectations relative to those processes, and other nuances of the City’s Program and its members. Following the conversion, staff will regularly review Call Center feedback with the Morneau team so that communications and workflow processes can be refined in the period between conversion and the upcoming 2019 Open Enrollment period.

Submitted by: _____
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