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Employee Benefits Administration PROVIDER SEARCH VS. RENEWAL: 20 CONSIDERATIONS

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Provider Search vs. Renewal: 20 Considerations

Should you search for a new benefits administration provider or renew/renegotiate your contract with your existing provider?

Review the attached decision criteria and place an X by the answer that fits best. We recommend several people in your organization complete this worksheet and compare scores.

Criteria	TRUE	FALSE
1. Things aren't perfect, but the current services and relationship are at an acceptable level and there is trust.		
2. Our legal department, procurement, or senior leadership requires a periodic search project for the purpose of due diligence.		
3. We've repeatedly requested information important for our business and those issues have not been addressed.		
4. Our plan design has changed considerably, and we no longer need the comprehensive services that are available from our current provider. Negotiations to "right-size" services have failed.		
5. Our chances of moving the business are less than 10%.		
6. We have no budget or staff to handle an implementation.		
7. We have a powerful desire to move a part of our outsourcing business (one or two benefit areas).		
8. Our outsourcing provider is very expensive and unwilling to lower total cost of ownership.		
9. Our outsourcing provider has experienced significant issues with data breaches or compliance issues.		
10. We are greatly concerned about our marketplace reputation if we don't select a new provider.		
11. We are concerned about the future of our outsourcing provider due to their business goals.		

Criteria	TRUE	FALSE
12. There are some primary functions that our outsourcing provider does not support.		
13. We are having issues due to our provider's delivery model (use of third parties, use of offshored resources, etc.). They cannot change their model to meet our objectives.		
14. The technology that our outsourcing provider uses is old, and it takes a considerable amount of time and budget to make changes. These challenges are no longer acceptable.		
15. Our company is planning considerable business changes soon. As much as we would like to review the marketplace, a change isn't feasible.		
16. Our outsourcing provider does not treat their employees as well as we require (workplace conditions, pay, career opportunities). This is especially important to us in regard to the customer service center. There is no plan for changes in this area.		
17. Our company had a recent change in executive leadership. We have a new CEO and Chief Human Resources leader. Our company is in the process of shifting our culture. The current providers are not aligned with our new culture.		
18. Our provider has not made proper investments to their service center. Our company is paternal, with an older workforce that is much more comfortable talking to a live representative. We have tried to encourage our provider to upgrade their service center but to no avail.		
19. Our relationship with our provider feels stale. They sometimes meet expectations, but they are now too comfortable in the relationship. In the beginning we were important and had their best resources. The client manager was attuned to our needs, and brought us creative ways to make the employee experience better. We want to understand if we will be important to another provider.		

Criteria	TRUE	FALSE
20. When our company decided to outsource our pension and health		
and welfare administration, it was a strategic decision to focus on		
our core competencies. As the provider has changed direction, and		
began to look for ways to reduce expenses, we are no longer in an		
outsourced environment. We are doing more of the work with a		
much leaner staff. We are paying for outsourcing; however, it has		
morphed into co-sourcing.		

Scoring Your Results

Once you've completed all 20 questions, go back and add up all the green shaded squares.

Your score is: _____

Interpreting Your Results

The higher your score, the more likely it is that you will benefit from conducting a provider search. A score of 20 would be 100% in favor of conducting a provider search, and a score of 0 would be 100% in favor of renewing your provider contract. However, if the results were that clear, you wouldn't be taking this assessment.

Every situation is different, and you may have <u>one answer</u> that's an absolute deal-breaker for you. The point is to use these consideration points as a guide for internal decision-making.

Provider Search & Contract Renewal Help

Whichever direction you decide to go, Curcio Webb can help. With over 20 years of provider selection experience under our belt, we can help you either re-negotiate your existing contract or conduct an objective search.

Contact us at https://curciowebb.com/ or by calling (847) 279-7341.