



Case Study

Perfect Record of Compliance and Data Management

Executive Summary

ABC Staffing specializes in high-tech staffing and has an average weekly rolling payroll of 600 temporary workers. Most temporary staff are well compensated and work an average of four weeks each month on assignment.

Challenges

Due to being unaware of legal requirement changes from the Affordable Care Act (ACA), the IRS assessed penalties of \$20,000 in 2015 and \$30,000 in 2016. ABC Staffing had also been inconsistently offering a MEC benefit plan averaging 6% participation, resulting in an average annual health plan surplus of less than \$15,000.

Goals

ABC Staffing's main priorities were to:

- Streamline ACA administration
- Demonstrate 100% ACA compliance
- Attract and retain top talent

How BenefitElect Helped

ABC Staffing hired BenefitElect to manage their temporary worker's benefits program. They required a weekly medical plan and offered multiple pre-tax insurance benefits. All candidates were enrolled in the MEC-Plus plan.

During onboarding, they logged into the online enrollment system for the opportunity to purchase additional coverage, including buying up to the MVP plan, or to waive coverage. The online enrollment system educated employees about their options through engaging communications and videos. At the end of the onboarding process, all candidates received a text message and an email confirming an offer of coverage. Through this process, BenefitElect was able to guarantee 100% offers of coverage.

On a weekly basis, the enrollment system exchanged records with the payroll system and the insurance company to ensure that all employee data, coverage and deductions were accurate and current. Break-in-service rules, built into the enrollment system, made for easy reactivation of coverage. Before any action was taken, temporary workers received automated email and text message reminders to keep them up to date on their eligibility and enrollment status.

Results

ABC Staffing saw impressive results:

- All benefit deductions were managed electronically with zero errors
- There were no terminated temporary workers still on benefits coverage
- 92% of temporary workers who auto enrolled retained medical coverage
- Retention increased to 89%
- The company's annual surplus increased from \$15,000 to \$320,000, improving profitability
- ABC Staffing became 100% ACA compliant
- ABC Staffing took advantage of a Work Opportunity Tax Credit for the first time

