

FP'S 5 QUESTIONS: TOP TIPS FOR HR TEAMS DURING OPEN ENROLLMENT SEASON

Insights
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Most employers that operate health plans on a calendar-year basis kick-off open enrollment in November – which means you're likely gearing up now for the annual influx of questions, benefit changes, and associated tasks. During the open enrollment period — which usually lasts for two to four weeks every year — employees may elect or change their health and welfare benefit choices for themselves and their dependents. This may include health, dental, vision, life insurance, disability insurance, and voluntary benefits (such as pet insurance, gym memberships, or identity theft insurance). How can you best prepare for open enrollment season and ensure a smooth process for everyone in your organization? Read on for a Q&A with [Fisher Phillips Attorney Jenny Kieseewetter](#), a member the firm's Employee Benefits and Tax Practice Group, to learn her top tips for HR teams for a successful open enrollment season.

1. What are the key items that should be on HR's open enrollment checklist?

Jenny: While every organization is different, and there are many steps to consider, these are the key items HR teams should be reviewing ahead of open enrollment:

- **Assess the effectiveness of your current benefit offerings.** Are your employees using the benefit? Do they know it's there? Should you get rid of the benefit or do employees need more education on it? Are there new benefit solutions that may be a better fit organizationally? Are certain benefits not meeting your (or your employees')

Related People



Jennifer S. Kieseewetter
Partner

615.488.2905



Lisa Nagele-Piazza
Legal Content Counsel

404.760.7943

expectations? You'll want to consider a variety of factors, including the cost and marketplace competitiveness.

- **Train your HR team on any new benefits or changes to current benefits.** Since your HR team is your frontline for all things benefits, ensure they are confident in assisting employees with questions or concerns that pop up during open enrollment.
- **Review and potentially update your company's enrollment technology.** Ensure the systems you use can accommodate any benefit or employee changes, including changes prompted by an acquisition or reduction in force. Take a few test runs with your software before open enrollment launches to give you time to identify and fix any functionality issues.

2. What is the best communication strategy to ensure employees are getting all the information they need?

Jenny: Open enrollment can often seem stressful – not just for employees making elections but also for HR professionals who must continually balance the changing needs of their workplace with evolving employment laws. Because of this, communication is paramount during open enrollment season. Here are some best practices when developing your communication strategy:

- **Plan the content and timing of your communications.** For example, you may decide to send multiple communications through email, company portals, or in-person or online meetings. Make sure you send emails far enough in advance so that employees can take the time to process the information or block off their calendars for meetings.
- **Make benefits information direct and easy to understand.** This includes any changes, such as new pricing information. Do not inundate employees with long benefits descriptions or confusing legal jargon.
- **Offer open enrollment education sessions,** such as a webinar on health savings accounts (HSAs) or health reimbursement accounts (HRAs).
- **Address any language barriers,** ensuring that your open enrollment communications are accessible and understandable to all employees.

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- **Allow employees to ask questions** before, during, and after the open enrollment process.
- **Ask employees for feedback** at the conclusion of open enrollment, which will allow you to continually improve the process year after year.

3. How can technology help facilitate open enrollment?

Jenny: Technology can help you streamline the open enrollment process by reducing or eliminating paperwork, reducing errors, ensuring accuracy, and seamlessly integrating and synchronizing data. The right system can:

- Improve communication and access to information for all employees.
- Allow HR professionals to send reminders, targeted messages, and updates before, during, and after open enrollment.
- Give employees easy access to a single system to complete the benefits enrollment process, which can potentially increase employee engagement.
- Allow your HR professionals to focus on high-level employee needs, instead of answering rote benefits questions day in and day out.
- Improve data and analytics management, including better recordkeeping, safeguarding and storing data, and data analysis on things such as benefits utilization.

4. What are the main compliance considerations that employers need to think about during the open enrollment process?

Jenny: You should consider taking the following steps to monitor your programs for compliance:

- **Review and potential update your company's policies, procedures, and plan documents** — including your wrap plans, summary plan descriptions (SPDs), summary of material modifications (SMMs), or summary of benefits and coverage (SBC) — for any plan design changes. Review these documents not only for benefits changes but also for any legislative changes under the Affordable Care Act (ACA), the Employee Retirement Income Security Act (ERISA), the Internal Revenue Code (IRC), the Health

Insurance Portability and Accountability Act (HIPAA), or more recently, the Consolidated Appropriations Act, 2021 (CAA '21).

- **Confirm that all materials (including employee communications) are updated for annual plan limits.** Keeping your documents up to date is foundational for your benefits compliance.
- **Ensure you are timely distributing all required disclosures.** These include disclosures you've previously distributed, such as your SPD, SBC, Notice of Patient Protections, Notice of HIPAA Special Enrollment Rights, and Grandfathered Plan Notice, among others. However, under CAA '21, more disclosures are added to this list, including the Notice Regarding Patient Protections Against Surprise Billing and the RxDC report (which annually reports your prescription drug benefits, drug costs, and healthcare spending).
- **Document all decision-making processes,** which can help you to satisfy your fiduciary duties under ERISA.

5. What are some frequently asked questions from employees that HR should be prepared to answer?

Jenny: The questions you'll receive, of course, will depend on the benefits you offer, as well as your employee population, but here are some FAQs you should be prepared to answer:

- What elections can I make during open enrollment?
- Can I make elections for my dependents and/or spouse or domestic partner?
- Can part-time employees participate in open enrollment?
- When do these elections take effect?
- What if I don't make any elections?
- How do I know if my medical providers will accept these health insurance plan options?
- What is the difference between a preferred provider organization (PPO) and a high-deductible health plan (HDHP)?

- What is considered “preventative care”?
- What are the differences between a premium, deductible, co-payment, and co-insurance?
- What is a health savings account (HSA)?
- Who may contribute to my HSA?
- How is an HSA different from a health reimbursement arrangement (HRA) or a flexible spending account (FSA)?
- Will I lose my money in my HSA at the end of the year if I don’t use it?
- What if I changed my mind after submitting my elections during open enrollment?
- I was recently hired and enrolled in the health plan. Do I need to participate in open enrollment?

It’s a great idea to prepare a cheat sheet with the answers to these questions, so your HR team can access and refer to it during the process.

Conclusion

If you have questions about open enrollment compliance, strategies, or best practices, feel free to reach out to your Fisher Phillips attorney, the author of this Insight, or any attorney in our [Employee Benefits and Tax Practice Group](#). We will continue to provide tips, guidance, and updates on employee benefits and other workplace law topics, so make sure you are subscribed to [Fisher Phillips’ Insight System](#) to get the most up-to-date information directly to your inbox.