

BROKERS: BEWARE OF THE PAYROLL TROJAN HORSE!

by Ray Seaver

bswift blog, November 2, 2007

A few days ago I had a phone conversation with a successful broker in Arizona who initially contacted bswift back in 2002, but at the time didn't feel that his clients were ready for online enrollment. He called to let me know that he just lost a significant case (over 1,000 lives) to a payroll company that also brokered benefits. Why? The payroll company/broker brought an online enrollment solution to the table that was going to help the client reduce costs in its HR department.

Unfortunately, this is not an isolated incident. Payroll service providers have strong relationships in the "C-Suite," and although using payroll as a bridge to cross-sell employee benefit consulting and brokerage to CEO's and CFO's hasn't been the "slam dunk" many thought it would be a few years back, the tide is quickly turning. Why? Payroll companies have a new weapon: *employee benefits technology*. [Read more >](#)

Open Enrollment Decisions Can Cost Thousands of Dollars

Associated Press, *CNN.com*

As the "open enrollment" season begins at most companies, workers need to re-evaluate their health insurance plans and other benefit offerings to determine which best satisfy their needs. But studies indicate that many people allot a half-hour or less to the task, and then simply renew last year's selections without weighing the changes in their benefits or in their lives, according to Bill Mullaney, president of MetLife Inc.'s institutional business.

That's a problem because employees are being asked to take more responsibility for selecting -- and funding -- their benefit programs at a time the costs for many of them are going up, he said.

One of the most expensive benefit categories is health care, and costs are expected to rise nearly 9 percent next year, according to Hewitt Associates, a global human resources company based in Lincolnshire, Illinois. As a result, the average employee can expect to pay about \$330 more in health care costs in the coming year, or about \$3,600 in premiums and out-of-pocket costs.

Tom Billet, a senior consultant with Watson Wyatt Worldwide Inc., a human resources consulting firm headquartered in Arlington, Virginia, said it's important for workers to educate themselves about their options during open enrollment "because making the right choices can lead to savings of thousands of dollars, while making the wrong ones can potentially cost thousands of dollars."

[Read more >](#)

What's New at bswift:

Ranked #1...Again!

In its October 15, 2007 issue, *Business Insurance Magazine* ranked bswift #1 **employee benefit information system** in the market for the second year in a row. [Read more >](#)

bswift Launches "bswift Blog"

bswift announced today the launch of the "bswift blog," an online message board for posting information and observations on the HR and benefits world. All bswift partners, clients, friends and other industry professionals are encouraged to visit the blog and share their comments at bswiftblog.blogspot.com.

News Briefs:

Major Benefit Trends Identified for This Year's Season

Recently speaking at the National Business Group on Health's Joint Forum, MetLife vice president Ronald Leopold, M.D., illustrated how employee benefits are more of a strategic business driver than ever before and challenged employers to rethink how they approach their benefits programs. [Read more >](#)

All Work and No Play Makes Jack Less Productive, Experts on Workaholicism Warn

A new study finds that workaholicism has led to increasing trends of lost productivity; increased health care costs, and a host of legal concerns, including disabilities and wage and hour issues. [Read more >](#)

Employees Desire "People Like Me" Benefits Information

Employees are interested in receiving information geared toward their life stage—i.e. "people like me"—on what kinds of benefits to select during their company's open enrollment period, according to MetLife's 2007 Open Enrollment Trends Survey. [Read more >](#)