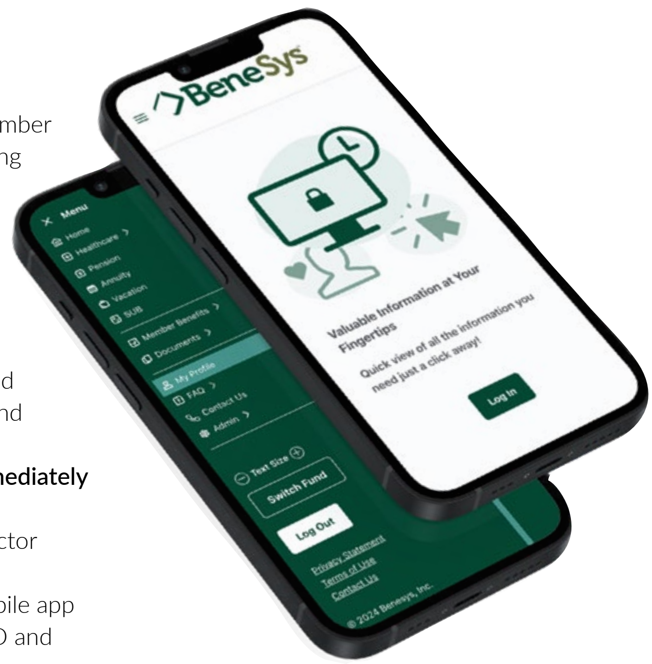
BeneSys™ Navigator

TECH NEWS

New member portal and mobile app offer loads of user-friendly features

by Jeff Spires, CIO

Jeff Spires is chief information officer at BeneSys Inc.



BeneSys is rolling out a new member portal to clients over the coming months, bringing a variety of features designed to improve the member experience. The new portal is deployable as a mobile app — an updated version of our BeneSys Now app. All features will be available on both the web portal and mobile app, which will be interactive and user friendly.

The new portal offers a host of immediately available features:

- Upgraded security, including two-factor authentication.
- Shared credentials between the mobile app and portal (no more separate user ID and password).
- Push notifications when new content or messages are added.
- Self-service capabilities, including the ability to:
  - Update contact information (i.e., address, phone number).
  - Submit completed forms to the Benefit Office.
  - Access pension history and pension calculator (if applicable to the fund).
  - View healthcare ID cards, deductible balance and claim history (if applicable to the fund).
  - See self-pay history (if applicable to the fund).
  - Make self-pay payments via ACH/credit card (if the fund is enrolled with BeneSys integrated Payment Vendor).

Additional features to be added by year-end 2024 will let members:

- Use secure messaging for communicating with the Benefit Office.
- Add, update and delete dependents and submit verification documents.
- View HRA/HSA balances and submit receipts.
- Opt in to paperless communication from the Benefit Office — start receiving status slips, self-pay slips, statements and other communications electronically.

The new member portal is being rolled out in stages, with a small beta group of clients going live in May and subsequent groups scheduled for June, July and August. Our goal is to transition all clients by the end of the year. BeneSys plan managers will be reaching out to client leadership with communication packets and information regarding member communication.

We are excited to launch the new portal and mobile app and to put all these improvements at your members' fingertips. •

FROM THE CEO

Self-service, in person or by phone, we're here for you

by Ed Wolyniec, CEO

Hello all. Thanks for taking a look at this quarter's *BeneSys Navigator*. As usual, this issue includes some interesting reading that I hope you find useful.

2024 continues to be a year for technology investments at BeneSys, with benefits for our clients. We have a member portal update going to beta testing with a few of our clients

this quarter, and our goal is to make it available to all clients by the end of this year (see story on page 1). In conversation with trustees, I have been asked if our plan is to push all members to self-service via their PC, tablet or mobile app. The answer is ***absolutely not!*** BeneSys has over 40 locations, specifically to allow for delivery of face-to-face support where clients have asked for it. In addition, we're continually working to improve our phone support. The future of the business will continue to be "multichannel," and our goal is to be the best TPA in all three channels to deliver support to members on their hard-earned benefits.

Thanks for taking the time to read! As always, feel free to share feedback directly with me: ed.wolyniec@benesys.com.

Have a safe, happy summer. •

"BeneSys has over 40 locations, specifically to allow for delivery of face-to-face support where clients have asked for it."

Beacon co-founder Ernie Crawford retires

Ernie Crawford is retiring as CEO of Beacon Technologies Group effective June 7. An incredibly smart and caring individual and a key creator of the SpyGlass claims processing platform, Ernie has made a positive and lasting impact on the TPA space.

Ernie started his career as a physicist for the Department of Defense before striking out on his own as a consultant and entrepreneur. After co-founding Beacon and building it into a successful business, he opted to bring it under the BeneSys family of companies in 2022. That move directly contributed to BeneSys reentering the SaaS (software as a service) marketplace, with our BenefitDriven solution bundled with SpyGlass. With Ernie leading this effort, the solution has won multiple new clients and is growing rapidly.

We've been fortunate to have Ernie as part of the BeneSys team and wish him all the best for his well-deserved retirement!

With Ernie's departure, Cip Apicelli will be acting leader of the Beacon and BenefitDriven businesses.

— *Ed Wolyniec*

Recognizing BeneSys employees who make a positive impact

EMPLOYEE SPOTLIGHT: Rae Mantanona, benefit administration

Who: Rae Mantanona, administrative assistant.

What she does: Rae has been supporting the benefit administration team in our Milwaukee office since May 2022. She started in 2021 as a part-time clerical support clerk and six months later became full-time receptionist before moving to her current role.

Why she loves the job: "The most rewarding part of working in benefit administration is being able to help my fellow co-workers," Rae says. "I also enjoy that every day coming in to work will consist of different tasks."

How she spreads positivity: "Rae is a great example of a team player — always willing to lend a helping hand," says Rae's supervisor, Claims Manager/Office Manager Jackie Trad. "Her smile and positive attitude are an inspiration to us all." •

New report examines 4 scenarios for Social Security solvency

by Tom Shaevsky, General Counsel

Tom Shaevsky is general counsel at BeneSys Inc. He has spent more than 25 years practicing ERISA/employee benefits law.

As a 56-year-old employee, I often wonder — as do many Americans — will Social Security be available when I need it? At this point, there is no reassuring answer.

Last year Social Security trustees offered four hypothetical scenarios for maintaining solvency. The Congressional Research Service analyzed those scenarios and presented its findings in *Social Security: Estimated Impact of Hypothetical Solvency Measures*, a report released on February 21, 2024. Following are excerpts from that report's summary and conclusion, edited for fit and clarity.

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Social Security: Estimated Impact of Hypothetical Solvency Measures

In its 2023 annual report, the Social Security Board of Trustees projected that under current law, Social Security's revenues and asset reserves will be insufficient to pay full scheduled benefits after 2034 [see updated projection on next page]. Under the trustees' intermediate assumptions — their best estimate for the future experience — the magnitude of the changes needed to maintain Social Security solvency increases as the projected insolvency date approaches. This [reality is due to] the program's rising costs and suggests that the legislative options to achieve solvency decrease as the trust funds approach the projected depletion date. The trustees stated, "Implementing changes sooner rather than later would allow more generations to share in the needed revenue increases or reductions in scheduled benefits."

To help illustrate the magnitude of the projected financial shortfall, the trustees provided estimates for four hypothetical scenarios — each using 2023 as a starting point — that would maintain the trust funds' solvency (i.e., the capacity to pay full benefits scheduled under current law on a timely basis):

1. Immediate tax increase: The trustees estimated that fulfilling all scheduled benefit payments throughout the 75-year projection period would require an immediate (i.e., starting in 2023) payroll tax rate increase of 3.44 percentage points. That is, the combined Social Security payroll tax rate would increase from 12.4% of covered earnings to 15.84% of covered earnings (an increase of about 28%). This approach would require Congress to enact legislation to change current law. [The current 12.4% payroll tax includes both employee and employer portions of the Social Security payroll tax.]

2. Immediate benefit reduction: If scheduled revenues were to remain as they are under current law, the trustees estimated that maintaining trust fund solvency would require an immediate (2023) benefit reduction of 21.3% applied to all current and future beneficiaries. This approach would require Congress to enact legislation to change current law.

3. Delayed tax increase: If a change in the payroll tax were to be delayed, and implemented at the time of projected trust fund depletion (i.e., effective in 2034), it would require an increase of 4.15 percentage points — an increase in the combined payroll tax rate to 16.55% of covered earnings (an increase of about 33%). This approach would require Congress to enact legislation to change current law.

4. Delayed benefit reduction: If a benefit reduction were to be implemented at the time of projected trust fund depletion (2034), benefits would need to be reduced by 25% to maintain trust fund solvency. This approach, however, would *not* require Congress to enact legislation to change current law.

The trustees also noted that some combination of approaches could be adopted. For instance, lawmakers could propose a relatively smaller tax increase with a relatively smaller benefit reduction to achieve the same result as one of the four hypothetical scenarios listed above.

The Congressional Research Service report examines the potential effects of these four hypothetical changes to Social Security benefits and the payroll tax rate for a set of hypothetical earners of varying earnings levels and birth cohorts. [The report does not analyze the potential effects of combining two or more of the above alternatives; rather the report analyzes each of the four alternatives independently of the others.] Specifically, the report presents the changes for very low, low, medium, high and maximum lifetime hypothetical earners — as developed by the Social Security Administration — in four birth cohorts (1960, 1980, 2000 and 2020). The analysis finds that an immediate payroll tax rate increase would have a relatively smaller impact on current beneficiaries or those close to claiming benefits, as they are less likely to be subject to the higher payroll taxes. Moreover, a delayed payroll tax rate increase would effectively *shift* a higher additional payroll tax burden onto younger cohorts. Similarly, hypothetical benefit reductions would affect workers of different birth cohorts in an unequal manner. An immediate (2023) benefit reduction would affect all current and future beneficiaries. However, under a delayed benefit reduction (e.g., 2034), many current beneficiaries would be unaffected.

Because some demographic groups are more concentrated in lower earner categories and others in higher earner categories, the analysis also suggests that the effects of certain policy changes may not be experienced uniformly by workers with different genders, races or ethnicities.

The report does not examine alternative methods of addressing the financial shortfall such as raising or eliminating the cap on earnings subject to the payroll tax, raising the retirement age, or expanded sources of funding such as from non-wage earnings.

The report concludes that delayed action — either related to payroll taxes or benefit amounts — generally concentrates the effects of policy change on younger generations. This suggests that workers in younger generations would be likely to experience larger payroll tax rate increases or benefit reductions under either delayed scenario than they would under either immediate scenario. … However, workers in older cohorts may be less able to change behaviors (e.g., work or savings) in response to policy changes.

Social Security's uncertain future is yet another demonstration of the critical importance that Taft-Hartley funds continue to play in the lives of members and their families. •

This article is provided for informational purposes only and does not constitute legal advice. Readers should consult with their own legal counsel before acting on any of the information presented.

Strong economy helps extend Social Security projected funding to 2035

Good news: In its latest annual report on the financial status of the Social Security Trust Funds, the Social Security Board of Trustees projects that the funds will have enough dedicated revenue to pay all scheduled benefits and associated administrative costs until 2035 — one year later than projected last year.

The 2024 trustees report, released on May 6, credits a strong economy, low unemployment, and higher job and wage growth for the extended projection. The trustees continue to recommend that Congress address the projected shortfalls, writing that "with informed discussion, creative thinking and timely legislative action, Social Security can continue to protect future generations."

To read the full 2024 trustees report, download it at www.ssa.gov/OACT/TR/2024.

Ding! Real-time claim notifications keep members in the loop

Delays in delivering health claim data can stem from various factors like authorization procedures and lengthy discharge processes, often leaving members in the dark during these waiting periods. Having a solution that provides a resolution the minute it's available is particularly important when members have a pending claim or approval.

With claim management notifications in SpyGlass, members can receive automated real-time updates directly via their email or mobile phone. Notifications are sent when claims for the member and for any dependents who share the member's address are received, paid or adjusted.

Beacon Technologies Group, a leading provider of health claims management solutions, including SpyGlass, is part of the BeneSys family of companies.

Timely notifications increase member visibility into the claims process by alerting members and patients whenever relevant information becomes available. Ultimately, this improves the overall care experience, raises insured member and patient satisfaction, and increases overall service quality by suppressing complaints to the PPO, provider and fund office.

At Beacon and BeneSys, we are dedicated to crafting solutions that enhance connections between members and providers — from SpyGlass claim management notifications to the enhanced BeneSys member portal rolling out over the coming months (see story on page 1). By keeping members informed and engaged, we can help keep the healthcare process moving forward. To learn more about how our SpyGlass technology can benefit your fund office, contact your plan manager. •

ABOUT BENESYS

BeneSys has been providing Taft-Hartley trust fund administration and IT services since 1979. Our dedicated specialists understand the nuances of Taft-Hartley benefit plans, and our software system, BenefitDriven, is designed to give our clients and their plan Participants the most efficient tools for self-administering trust fund accounts.

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