



**CASE STUDY**

# University of Arkansas System

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## **Verifying dependent eligibility with Alight**

Today, more than 60,000 students are enrolled in nearly 200 undergraduate, graduate, and professional programs across the University of Arkansas's many locations. Ensuring they receive a world-class education and university experience requires a large, varied workforce. From faculty, physicians, and chancellors to maintenance and food service workers, the University of Arkansas System employs more than 20,000 dedicated, talented individuals. Just as the institution is committed to giving its students the best possible education, it's also committed to providing those valued employees with competitive pay and benefits.

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# A costly challenge

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**“How we maintain competitive benefits that are affordable for the university is always top of mind. We have to take care of our employees, but how do we do that in the most cost-efficient way?”**

Steve Wood, Associate Vice President for Benefits and Risk Management, University of Arkansas System

As the cost of higher education increasingly comes under the microscope, colleges and universities are challenged to keep operating costs down. For the benefits department at the University of Arkansas System, that means getting a handle on rising health care costs.

The university was looking for effective ways to manage health care costs without compromising or reducing employee benefits. Recognizing how much it could be spending on health coverage for ineligible dependents, the university decided to conduct a comprehensive dependent eligibility verification audit of the 19,000 dependents enrolled in its health plan.

From the beginning, the university understood the need for a seasoned and accomplished dependent verification partner with deep expertise in higher-education settings. Steve Wood, Associate Vice President for Benefits and Risk Management, explained, “We wanted a partner who was very aware of our unique environment.” He found that in Alight Solutions.

On average, Alight has found 5 to 7 percent of covered dependents are ineligible for employer-sponsored health benefits. With dependents costing an average of \$4,100 annually, significant and lasting savings can be achieved quickly by removing ineligible individuals from the plan. That kind of savings would prove invaluable for the University of Arkansas System, which had over 36,000 overall members participating in its self-funded health plan.

## About the University of Arkansas System

**Founded in 1871**

**20,000+ employees systemwide**

**Flagship campus in Fayetteville**

**Administrative offices in Little Rock**

## Carefully crafted

Conducting a dependent audit in a university setting is often complex as it encompasses a diverse employee population spread across multiple campuses and needs to work around the academic calendar. To be successful, these dependent audits require careful planning, robust capabilities and sensitivity.

Alight worked with the University of Arkansas System from the beginning to develop a strong, customized communication campaign to ensure success. The campaign included multiple communication points and methods, as well as carefully crafted messaging that outlined the verification process and helped employees understand why the audit was important to them. Wood notes that employees reacted well, and for the most part, accepted it. “We stressed that this is not to catch or punish people. In order to manage health care costs efficiently for everyone we need to ensure only eligible participants are on the plan. We focused on the outcome. When messaged correctly, employees understand the value in it.”

The process was simple and flexible for employees and handled directly by Alight’s dependent verification center. Employees were able to submit documentation, typically marriage or birth certificates, a variety of ways—USPS mail, toll-free fax, or through a secure online upload through Alight’s web portal. Once their documentation had been reviewed, employees were notified of their dependents’ status by mail and were also able to access that information through a secure portal. Wood was impressed by the level of detail in Alight’s record-keeping, saying it “made responding to questions [after the audit] very straightforward because we had documentation of every form that was submitted, every phone call that occurred.”

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**“Alight’s team brought us a nicely mapped out plan that covered everything from introducing the idea through closing it out. There was not a lot of guesswork in how this was going to look.”**

Steve Wood, Associate Vice President for Benefits and Risk Management, University of Arkansas System

## Easing emotions

A dependent verification audit can create some noise within an employee population, but most people find the process much easier than anticipated. For the University of Arkansas System, it was Alight's personalized, high-touch approach that made the audit virtually seamless, ensuring employees knew what to expect and had the support they needed throughout the entire process.

Alight's customer care team fielded employees' questions and provided guidance as they submitted documentation to comply with the verification requirements. Recognizing that some employees would need more support than others, Alight's specialized eligibility experts were on hand to proactively reach out to those that needed extra assistance and offered end-to-end support until their audit was completed.

The comprehensive process and employee-focused approach removed the burden from the university's campus HR offices, allowing them to maintain an arms-length relationship, while still ensuring employees received the assistance they needed.

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**“Alight’s customer care center was very important—and perhaps more important to us than it might be to organizations with a single, centralized HR office. We were able to rely on them, rather than our campus level HR offices, to convey the same consistent message.”**

Steve Wood, Associate Vice President for Benefits and Risk Management, University of Arkansas System

## Making the grade

Alight's dependent verification center reviewed nearly 40,000 documents and fielded over 5,500 phone calls in the process of auditing 19,000 dependent children and spouses. In the end, they identified 750 ineligible dependents, accounting for 3 percent of the university's total dependent population.

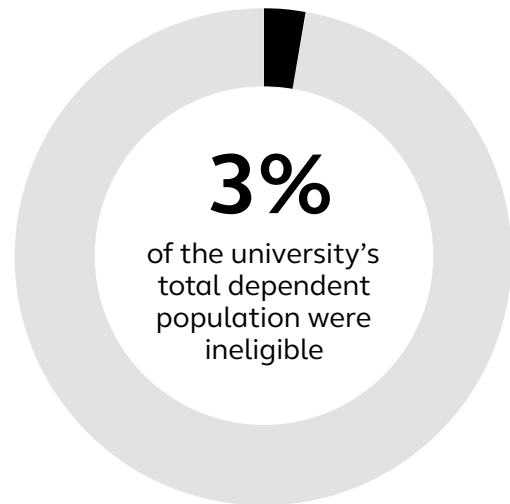
The university couldn't be happier with the return on investment. They realized annual premium savings of just over \$1.5 million, equal to a little over 1 percent of total premiums at the time. Recognizing the significant ongoing nature of the savings, Wood likes to put it in terms that everyone can appreciate, "We saved ourselves a 1 percent-plus premium increase."

While the audit was unpopular among employees, Wood is confident that they understood the value and found it easy to complete, and that the process Alight crafted for the university will make the next go-round—anticipated to take place by 2021—less stressful and just as rewarding.

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**“The results speak for themselves. That \$1.5 million can be used for other projects on campus. That’s real money—and there’s also ongoing savings. That’s a big deal.”**

Steve Wood, Associate Vice President for Benefits and Risk Management, University of Arkansas System



## **Why Alight?**

With over 800 completed one-time audits and more than 8 million dependents audited to date, Alight Solutions is the industry leader in dependent eligibility verification. Alight's Plan-Smart<sup>®</sup> service is a one-time dependent eligibility verification audit that ensures qualified, eligible dependents maintain access to benefits and removes ineligible dependents from coverage as soon as possible. Employers can preserve the integrity of their benefits plan with Plan-Guard<sup>®</sup>, Alight's ongoing service that verifies eligibility as new dependents enroll in coverage. Alight's dependent verification clients include public, private, and not-for-profit organizations, as well as large governments and more than 20 percent of Fortune 500 companies.



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## **About Alight Solutions**

As a leading provider of human capital solutions, we help our clients and their people navigate the complexity of health, wealth and HR. We combine data-driven, consumer-centered technology with personalized care and service to deliver a superior customer experience. Our dedicated colleagues across 19 global centers help more than 22 million people and their 18 million family members simplify work and life, both now and in the future. At Alight, we are reimagining how people and organizations thrive.

**Discover how your organization can benefit from Alight's dependent verification services. To learn more, contact [people.solutions@alight.com](mailto:people.solutions@alight.com).**