

# Why Go Online Enrollment?

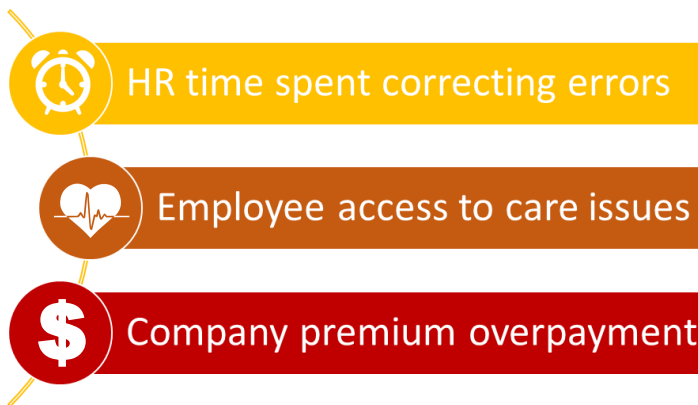
## What is the cost of a paper-based benefit enrollment process?

Some employers may be hesitant to invest in electronic systems to manage employee benefit programs. There are hidden costs to using a paper applications to manage enrollments.



Manual, paper-based, benefit enrollments are more prone to billing and enrollment errors. According to Risk Insurance Magazine, approximately 7% of the typical insurance carrier bill is inaccurate. It is estimated that 5% of those inaccuracies are related to **errors in paperwork**.

When you consider the HR staff hours spent correcting errors, and the cost to the company in premium overpayment it is easy to see the cost of a manual benefit enrollment processes add up quickly. Factor in employee frustration, employee on-the-job time spent trying to resolve eligibility issues, and the liability when employees are unable to access care while benefit issues are being resolved, and it's clear that employers can't afford to ignore benefits on an online solution for benefit enrollment.



**An employer with 150 employees and six benefit plans could potentially save \$36,000 per year in HR staff hours, employee hours, and printing/distribution costs by moving to an online benefit enrollment system.**

**\$36,000**

Mid-sized employer's potential annual savings moving to online benefit enrollment system

**\$110**

Average cost to manually enroll one employee in benefits

**\$22**

Average cost to enroll one employee in benefits using automated solution

**60-80% of HR Staff Time**

Spent on administrative tasks like answering employee questions and collecting data for reports

According to a 2012 Benefit Administration report compiled by Principal Financial Services



**CAMBRIDGE**  
BENEFIT SOLUTIONS

2450 S Gilbert Road, Suite 109  
Chandler, AZ 85286  
Phone: 480.883.3309  
Email: don@cbsarizona.com