

Does AI Have a Place in Open Enrollment?

Open-enrollment season for the coming year's benefit plans has high stakes for employees and their organizations. This is the time when workers make important decisions about health care premiums and deductibles, health savings account contributions, retirement savings and other matters that will affect their long-term health and financial well-being. If employees are not making informed choices that support their physical, emotional and financial health, their workplaces aren't likely to thrive, either.

"During open enrollment, employees are inundated with benefit decisions," said Brian Colburn, senior vice president of corporate development and strategy at Alegeus, a consumer directed health care solutions provider.

"Without the right baseline of health and financial fluency, it can be difficult for them to evaluate and compare their [benefit] options."

Decision-support technology, including those using artificial intelligence (AI) and often integrated into enrollment apps and online platforms, is starting to transform the open-enrollment experience—sparking questions about the real capabilities of this technology, employees' willingness to use it and ongoing concerns about privacy.

Providing Decision Support

Helping employees make informed decisions is the goal for a health care company with more than 10,000 employees in 1,000 locations throughout the U.S. After the company added low-premium, high-deductible health

plans (HDHPs) to its health benefits offerings, many employees who selected the HDHP wanted to change their plan after just a few months. They regretted their choice once they discovered they were paying higher out-of-pocket costs.

Since the company's HR and benefits staff is not large enough to allow visits to every location for in-person pre-enrollment meetings to explain the implications of choosing an HDHP, and mailing out enrollment packets to employees' homes had not proven effective, the company decided to add to its enrollment platform access to the BeneFITwise Integrated Intelligence Guide from BenefitExpress, a provider of benefits administration software and services. The tool helps employees choose a health plan based on a variety of factors, such as:

- How they expect to use the plan.
- Their family size.
- Projected prescription drug spending.
- Expected number of provider visits.
- Their financial capacity to pay out-of-pocket costs.

Using AI, the tool ranks the employers' available health plans based on the information the employee provides. Employees who want to make these decisions without using AI can bypass the tool on the electronic enrollment system.

If You Build It, Will They Come?

Making AI and other decision-support tools available does not guarantee that employees will use them. For instance, a 2019 survey, which was

conducted by the University of Wisconsin-Madison La Follette School of Public Affairs, of 2,200 employees with health plans through the Wisconsin Department of Employee Trust Funds found that use of available decision-support technology is far from a given. In this case, state employees have access to interactive decision-support tool ALEX, from benefits enrollment technology firm Jellyvision. This tool also provides personalized guidance on whether an HDHP makes sense for workers, based on their health care needs and finances. However, only 24 percent of the employees who were not enrolled in an HDHP took advantage of the tool.

Among Wisconsin employees who had enrolled in an HDHP in the past, 43 percent used the tool. Those most likely to use it were women, had higher education levels and incomes, and had expressed interest in counseling about out-of-pocket costs.

This data suggests that simply offering decision-support tools is not enough. "It is important to simplify the decision-making process for employees as much as possible," said Michelle Northey, chief product officer with Schaumburg, Ill.-based BenefitExpress. "But there still needs to be a combination of AI tools and human interaction to deal with the complexity and emotion involved in health care decision-making."

Getting employees to take the first step in using an interactive product is often the hardest part. Benefits administrator Benefit Resource Inc., based in Rochester, N.Y., uses an enrollment platform with decision-support features from Dial Insights for open enrollment.

"We focus on reminding them about the tool and getting employees to create an account to get started," said Cassandra Weaver, HR director at Benefit Resource. "I see the same types of issues with other health care

technology options, such as telemedicine," or other resources employees have been reluctant to take advantage of, at least at first.

She suggested emphasizing to users the individualized experience AI tools can provide, which may appeal to employees who are reluctant to ask questions that might veer into personal territory during open-enrollment meetings. "AI can be very useful in providing a personalized enrollment-support experience via a virtual benefits counselor," she said.

More Capabilities, More Privacy Concerns

Privacy is another stumbling block for AI and other decision-support tools. "The current state of AI in these applications is still fairly simple," said Mark Manquen, founder of Manquen Vance, a benefit broker and consulting firm based in Troy, Mich. However, as AI becomes more complex, employers will need to work with product vendors to address employees' concerns over information security.

"As these tools get closer to collecting, interpreting and making recommendations based on personal claims data, there is a very real chance of sowing distrust among employees regarding privacy concerns," he said.

By Joanne Sammer