

## **Growing List of Apps Make Employee Benefits More Mobile**

More smartphone-toting employees are looking to mobile benefits applications to submit claims and check balances on their health savings or health reimbursement accounts.

In the spring of 2011 as human resources departments prepared for fall's open enrollment season, few people asked for a smartphone application as part of the requests for proposals they sent prospective vendors of employee benefits services.

What a difference 12 months make.

This open enrollment planning season, it's practically expected that benefits providers have some kind of mobile app in their product mix.

"It quickly went from, 'Wow, this is cool,' to a status quo expectation," says Jeff Bakke, chief strategy officer for Evolution1, a benefits developer that licenses its technology platform—including a mobile app—to health plans, third-party administrators and banks.

Smartphone-toting employees are beginning to use mobile benefits apps to submit claims and check balances on their health savings or health reimbursement accounts. Some apps even let them take and send pictures of benefits-related receipts and toss the paper originals.

Benefits apps are especially popular with workers—many of them millennials—who live on their smartphones. Because they're already smitten, they look more favorably on using an app than filling out a paper form or even using a Web portal, app developers and other industry watchers say. Tips for weight loss and smoking cessation or changing benefits-plan options before the open enrollment deadline that seem dull in a quarterly newsletter from the corporate wellness team are instantly more hip when viewed on an iPhone or iPad or similar device.

"We see it as increased level of ownership with the smartphone, and that's ultimately what the employer wants," Bakke says.

## **Riding the Smartphone Wave**

Benefits apps are riding the crest of a smartphone tsunami that's washed over the nation and the workplace in the past year. By late 2011, iPhones and other smartphones accounted for 41.8 percent of all cellphones in the United States. That's up from 27 percent in 2010, according to a February report on mobile-phone trends from comScore, a digital-technology researcher.

At the same time, more smartphone users are bringing their devices to the office. Employers are capitalizing on the trend by giving employees applications for getting work done and managing other aspects of their work life, including benefits.

As attractive as benefits apps are, however, there are obstacles. Many relate to cost. Though benefits' providers give away apps to existing customers, it takes time and money for enterprises to integrate them into existing benefits databases.

That's especially difficult at a time "when everybody's stretched thin" financially, says Meghan Beaupre, , vice president of marketing and communications with Longfellow Benefits, a Boston-based employee benefits broker with about 200 mostly midsize clients.

Cost isn't the only factor. If a provider doesn't offer identical apps for Apple iOS and Android devices, companies whose workforces are split between the platforms risk alienating one group or the other if they select an app that's out on only one type of phone.

"It's probably the wave of the future, but still very much in its infancy stage," Beaupre says.

## **Applications Give Vendors a Sales Edge**

Still, adoption is increasing, at least based on anecdotal evidence. Discovery Benefits Inc., a Fargo, North Dakota, third-party administrator with 6,000 corporate customers, started offering Evolution1's mobile application in mid-2010, and 3,000 of its clients downloaded the app in 2011, representing a jump of 100 percent from January 2011 to January 2012, says Matthew Feir, Discovery Benefit's senior vice president of sales and marketing.

In the first quarter of 2012, employees at Discovery Benefits' customers logged onto the app 25,000 times. That might not sound like a lot, but "it saves call-ins," and that saves money, Feir says.

Because some third-party administrators don't offer benefits apps yet, Discovery is using Evolution1 to differentiate itself from competitors, Feir says.

Like Discovery, some health plans or third-party administrators license technology for mobile apps from third parties. Evolution1 licenses its 3-year-old benefits application to an undisclosed number of Blue Cross/Blue Shield health plans, third-party administrators and banks, which offer it to holders of their health-savings accounts. From June 2011 to January 2012, the number of plan participants using the app jumped 250 percent, Evolution1's Bakke says.

"Utilization continues to skyrocket," he says. "We've got probably seven of the top 20 employers in the United States using our stuff and their [requests for proposal] tend to" require a mobile app demo, Bakke says.

Other vendors have built their own apps or hired outside contractors to do the work for them.

In March, Roseland, New Jersey-based ADP Inc. rolled out a home-grown benefits component to the free mobile app the outsourcing giant launched last summer for existing customers of its payroll and other HR services. ADP built the app's benefits functions in-house with help from a developer of mobile app software, spokesman Jim Larkin says. As of mid-April, 22,000 of

ADP's 227,000 customers using the HR mobile app had also begun using the benefits features, Larkin says.

Employee-benefits vendors who have yet to introduce mobile apps are making do by redesigning their Web portals to be more mobile-friendly.

With costs for hiring contract software developers to build apps for less than \$10,000, it's possible that employers could eventually build their own apps for medical and other benefits and then tie them into their corporate social networks, says Beaupre of Longfellow Benefits. Once social media enter the picture, though, such initiatives cease to be just about HR. Social media are "an enterprisewide investment, and you have to have champions at every turn," she says.

Until then, expect vendors of benefits applications to continue innovating. Bakke expects to see more apps that employees can use to look up medical information or manage chronic diseases, functions he calls "a good extension of a health plan's member portal."

## **Tech Talk**

Considering offering employees mobile applications to access some or all of your company's benefits? Take a look at some of what's available.

**ADP Mobile Solutions:** This spring, Roseland, New Jersey-based ADP Inc. added information on benefits and flexible spending accounts to a free app for the iPhone and the iPad that the giant back-office HR outsourcer introduced last summer. The new features let existing ADP customers' employees check their medical, dental and vision plan types and coverage, view deductions by pay period, and check balances and goal amounts of their flexible spending account. Employees can download a companion app from Apple's iTunes store to take and store a picture of their benefits ID card.

**Alex:** A mobile version of the 3-year-old Internet-based virtual employee-benefits counselor is due this summer. Created by the same team that developed the 1990s hit trivia game "You Don't Know Jack," Alex helps workers analyze their employers' available benefits for options that best fit their needs. The mobile app will be available to existing Alex corporate clients with open enrollment dates of Sept. 1 or later, says Jackie Abramian, spokeswoman for developer Jellyvision Lab Inc.

**Castlight Mobile:** Castlight Health of San Francisco rolled out a mobile version of its nearly 2-year-old personalized health care shopping platform in late March. The free app lets employees of Castlight's clients use a smartphone to look up pricing and quality data on their health care providers. The app is available for Apple iOS and Google Android devices; users of other smartphones can access the same information through a mobile-optimized website.

**Lighthouse1 Mobile:** The mobile app lets employees check available balances on their flexible-spending, health-reimbursement and health-savings accounts from Apple iOS and Google Android devices. Longtime benefits-technology vendor Evolution1 offers the app as a free add-on to the benefits-services platform it sells through third-party administrators and bank partners

to corporate customers, which can apply their own company brand. Employees can use the latest version of the application to submit reimbursement claims, use their smartphone's built-in camera to submit pictures of receipts, and get account balances and alerts as text messages.