

DEFINED BENEFIT ADMINISTRATION

FIRST-TIME PENSION ADMINISTRATION OUTSOURCER IMPLEMENTS AND LEVERAGES ENHANCED MODELING TOOLS TO IMPROVE EMPLOYEE EXPERIENCE

COMPANY PROFILE

- Regional health care provider with over 10,000 participants in defined benefit (DB) plan
- Pension benefits historically administered in house
- Based on cost, complexity and regulatory considerations, decision made to outsource DB administration

GOALS

- Communicate rationale behind the company's decision to outsource its DB program and position the transition as a "value add" for participants
- Increase employee engagement, awareness and appreciation of pension plan benefits
- Drive participant usage of new self-service tools and enhance employee experience by allowing real-time pension calculations online

MERCER'S SOLUTION

- Developed an integrated communications campaign that included:
 - A postcard announcing the outsourcing transition and promoting the new pension website self-service tools
 - Step-by-step pension website user guides showcasing key new self-service tools for active employees, term vested participants and retirees
 - Magnetic contact card highlighting the new pension website and contact center number
 - Self-paced, e-learning module demonstrating how participants can easily model their pension benefits online

RESULTS

- Within the first 12 months of going live, over 7,600 pension calculations were requested online
- Historically, employees waited up to five weeks for pension calculations and they are now able to model pension calculations online in minutes
- Less than 2% of ongoing calculations have required manual intervention and those have been handled within two weeks on average



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