



Partner Spotlight

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JOHN NEWCOME

Vice President and Consultant,
KELLY Benefit Strategies

John Newcome has spent the last 20 years at KELLY Benefit Strategies, serving as Account Manager and Senior Account Manager halfway through his tenure, before being named to his current role. John has seen how the industry has shifted over the last two decades, and has been instrumental in keeping KELLY on the forefront of change.



KELLY

Benefit Strategies

The Business of Better

KELLY is one of the nation's largest providers of benefits administration and technology, broker and consulting services, and payroll solutions.

With over **44 years** in the industry, KELLY has remained an innovative leader in the broker and ben admin space thanks to their strategic focus on technology and ability to look ahead to better serve their clients.

In this interview, John shares some of the keys to KELLY's success over the years, his projections for the future of the benefits industry, and how ConnectYourCare has played a role in helping them serve the needs of their clients.

KELLY: Growth, Success, and Technology

Q: John, thank you so much for speaking with ConnectYourCare about your experience at KELLY and sharing some of your insights with us. Would you mind talking about what you do at KELLY?

A: My job is to marshal the forces of KELLY in the name of my clients and make sure they have a trusted and valued partner in the health care space, which has become less commoditized and more like what you would want from your lawyer or your CPA, because of the complexities and the money tied to it now. And then beyond that, I'm responsible on a day-to-day basis to make sure there are strategies, tools, and resources in place for my clients—to mitigate cost increases while they are out trying to make money for the business that generates it. So it's my goal to really bring KELLY to bear for anybody I am serving.

Q: What factors do you think have contributed to the growth and success of KELLY over the last 20 years?

A: I would say mainly its scalability. Our big company feel and small company attitude internally really drive a lot of what we do. We're able to customize for each particular client, so I would say that's probably the number one reason, in my opinion, why we stand out in a sea of companies that do something similar to what we offer.

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Q: We know the benefits landscape is changing, and we know the broker role is changing as a result. Could you talk about how your brokerage has adapted to changes over time?

A: Navigating legislation has become increasingly important over the years. The Affordable Care Act was passed on March 23rd, 2010, and in the first three years, we were consulting attorneys a lot more. In the

second three years, we were consulting with attorneys so frequently, we looked into hiring more of them internally. And in the last three years, we hired more attorneys to ensure we're on top of all the information regarding health care reform and legislation, in general.

But it's not just about the lawyers, it's extremely important that we're there with all of the resources, tools, and people in front of our clients, from the contingency planning and strategizing across multiple disciplines, all the way down to the ERISA attorney. So it's about having a deep bench across all of our departments, and having the ability to come up with a strategy to be ready for the final law, regulation, or mandate, whenever it comes out.

Q: What do you think your clients' biggest concerns are about navigating the benefits space in this day and age, and how do you help ease those concerns?

A: I sit in a lot of meetings with CFOs, presidents, and senior VPs, and the number one thing now is money. I'm not saying it wasn't important before, but benefits weren't handled by C-suite people. It was year to year. In the last 20 years, benefits have jumped up to number two behind payroll on most ledgers, and it has put the top people in every company in the room. And the ways we're dealing with that are, again, as I mentioned, strategies and planning.

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Q: So although cost is important, do you think that employee experience has grown in interest at all for employers when it comes to choosing benefits?

A: It certainly has. In this day and age, if you're not capable of delivering a seamless, easy, integrated solution with regard to technology for employees, then you're not in this game...or you're coming to us in order

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to deliver that because you have the relationship with the group. But I don't see this as a challenge, because I feel that we're way ahead of it. We just rolled out

a great mobile platform this last year. We had 33% of all our enrollments run through mobile, which we're thrilled about. And I think that mobile, personalized tech is the future.

Q: On the technology note, can you talk about how offering integrated technology also contributed to KELLY's success?

A: From the beginning, we were pretty cutting edge. We went proprietary with our own technology, instead of looking at outsourcing this back in the

mid '90s. I think it was a very prudent decision to build our own technology because of the experience that we have, which lends to it being right the first time, as opposed to beta testing something and then figuring out through various iterations what people want. We've been doing it for so long. We know what people want. And we have our ear to the rail. Generally, I would say our technology is a barrier to exit, because we provide a total benefit strategy across multiple different delivery systems—from the actual benefits themselves down to payroll.

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Q: The focus today is heavily on technology, but it wasn't always that way, because we know this industry used to be primarily relationship based. Can you comment on how this shift to technology has changed the broker role in some ways?

A: It used to be that a broker just had to deliver the numbers every year. They didn't have to deliver administrative solutions or technology answers or enrollment. But the relationship part is still there today. Brokers have relationships with C-suite level people who make the decisions. The thing that's changed is a client used to be able to just say, "I'm picking this partner or vendor." That partner has to be able to bring to bear all of the things that we just talked about. That's why a lot of individual brokers work with a wholesaler like KELLY, because they don't have to worry about their technology. So I think technology's super important. But I think that those relationships are still in place.

KELLY on Working with ConnectYourCare

Q: Can you talk about how KELLY uses ConnectYourCare services?

A: The tools and resources that you offer, really on the consumer-directed health care plan side, I really love, especially when it comes to health savings accounts (HSAs). But the whole concept of you empowering the employee/member with the information they need to best navigate the health care system financially and clinically, I think, is beyond reproach. I don't think anybody doing what you do offers it like you do it. I get a great response on ConnectYourCare.

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Q: Have any clients spoken favorably about ConnectYourCare's products or services?

A: If clients were not with you and then they ended up with you...your access to information, your customer service philosophy, and your touch and feel as a company are better and perceived better by members across the board.

Q: From a technology standpoint, are there any aspects about our offerings that you or your clients really appreciate, or that you think really enhance or run parallel with the services offered by KELLY?

A: It's very easy to tout you as the place to go when somebody's got a multi-thousand-dollar deductible. Your website gives a lot of information that somebody would need, as well as transparency tools, which is a big one. I think one of the main answers to a lot of the problems around future costs is to make sure that the cost of services and prescriptions and everything else in health care is transparent. I think that you are definitely cutting edge on that. And I would even say that you're not cutting edge on it because the time for you to be cutting edge has passed. So you were cutting edge on it—now you're a leader.

Q: In your role as a broker, is there anything that you personally have been able to accomplish using our products and services?

A: It really is the ability to get the decision makers and everybody on board at the company with the idea of a consumer-driven health care plan. I happen to strongly believe that HSAs...HSAs are the number one available access point for tax savings, saving for your future. And then if you don't become sick, you can still use the money. So I can't speak highly enough about HSAs.

In my opinion, what your company has been able to help me do is explain how it advantages the group financially, tax-wise, if they put money

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in the HSA on behalf of the member by lowering FICA taxes and all of that.

But then I get into [as if speaking to the client], “Beyond that, we have to make sure we arm your participants with the necessary tools, resources, information, and people in order to navigate this system; make sure they're not paying when they shouldn't be paying; and be in a position where they feel empowered—instead of at the mercy of—the health care system.” And you were able to help us do that.

Q: So what's it been like working with ConnectYourCare overall and why would you recommend us?

A: I would absolutely recommend you without an issue. So I generally...I like working with ConnectYourCare, because I know a lot of people there. It has a “we're in the same neighborhood” feel to it. So I love working with ConnectYourCare for that aspect.

But then very much, like KELLY is, you're small and you're local, but you're big and you're national. That's what my clients want, and that's one of the things on the checklist if I'm doing an RFP for any service: How big is this company? What are their resources nationwide? And I can always confidently say that ConnectYourCare is capable and scalable just as KELLY is.

“ A resounding yes, I would recommend ConnectYourCare without a doubt. ”

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