



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Office of Internal Audit • 7833 Walker Drive, Suite 425 • Greenbelt, Maryland 20770

October 20, 2021

To: Asuntha Chiang-Smith, Executive Director
William Spencer, Corporate Human Resources Director

From: Renee Kenney, Inspector General *Renee M Kenney*
Wanda King, Assistant Inspector General *Wanda King*

Re: Management Advisory- Life Insurance Administration – CW-001-2022

Background

Ms. Asuntha Chiang-Smith, Executive Director and Mr. William Spencer, Corporate Director, Human Resources, contacted the Office of the Inspector General (OIG) on May 17, 2021 to request an investigation of a life insurance administrative error, which occurred in Employee Health & Benefits (Benefits) involving the payment of a life insurance claim.

On April 26, 2021, Benefits submitted a death claim to Minnesota Life Insurance Company-Securian (the insurer) on behalf of a deceased Commission employee, for the distribution of supplemental life insurance proceeds. Premiums for the supplemental coverage were being paid via payroll deduction. The insurer informed Benefits that its records did not show the employee as having submitted evidence of insurability (EOI) for the supplemental life insurance requested outside of the guaranteed issue period. Because the insurer did not have an EOI on file, the insurer was not legally obligated, and did not distribute, proceeds for the claim.

Benefits informed senior management about the issue on May 3, 2021. As such, the Maryland-National Capital Park and Planning Commission (Commission) assumed the obligation and paid out the claim. The Executive Director made the decision, after consulting with the Commission Chairpersons.

OIG agreed to complete a Management Advisory, involving the operational processing and administrative management of life insurance enrollment.¹ The objective of the advisory was to obtain an understanding of departmental procedures, identify the actions or lack of actions that led to the oversight, and to make recommendations to mitigate the risk of the same or similar event recurring in the future.

¹ Management Advisories are non-audit services and not subject to Government Auditing Standards.

Definitions

- **Accidental Death and Dismemberment (AD&D)** – Provided to all Commission employees who enroll in Basic life insurance and completes a beneficiary form. The AD&D rider covers the unintentional death or dismemberment of the insured.
- **Basic Term Life Insurance** – Low cost Commission provided life insurance benefit available to all Merit System employees. Coverage is 2x an employee's annual salary, with total coverage capped at \$200,000.
- **Dependent Term Life** – Coverage available to children and spouse, 100% employee paid.
- **Employee Self Service (ESS)** – Feature primarily used during open enrollment (fall time period) that allows Commission employees to enroll or change elected benefits on-line, without submitting paper documentation to Benefits for processing.
- **Evidence of Insurability Form (EOI)** – Required by insurer if enrollment in basic life is requested after the first 45 days of employment. For supplemental insurance, the EOI form is required after the first 45 days of employment and/or for coverage exceeding 3x base annual salary or \$300,000. (Note: Exception was made in 2019 special open enrollment to increase enrollment).
- **Infor** – Commission ERP system that includes a module for Benefit Administration. Infor was formally referred to as "Lawson".
- **Insurer** - Minnesota Life Insurance Company-Securian
- **Self-Administered Life Insurance Plan** – The Commission has a self-administered Life Insurance Plan. The Plan allows the Commission to report total coverage on a monthly basis rather than reporting detailed employee changes. For example, the Commission's insurer does not maintain employee specific data for employees who enrolled in life insurance coverage (basic or supplemental) if enrolled during orientation (e.g. first 45 days of hire). The insurer only maintains information on individuals that required underwriting and approval.
- **Supplemental Term Life Insurance** - Commission Merit employees can elect supplemental coverage 1-5x base annual salary, maximum coverage of \$750,000.

Scope of OIG Advisory Services

OIG interviewed Benefits staff, including Ms. Jennifer McDonald, Manager; Ms. Gertie Johnson, Benefits Specialist; and Ms. Cynthia Henderson, Benefit Specialist to gain a better understanding of the procedures used for facilitating and managing life insurance enrollment.

OIG interviewed personnel from Minnesota Life Insurance Company-Securian (the insurer) to gain a better understanding of their internal procedures for underwriting life insurance coverage for Commission employees.

OIG interviewed personnel from the Office of the Chief Information Officer (OCIO) to gain a better understanding of the benefits module in the Commission's ERP system, Infor, including ESS and reporting capabilities.

OIG reconciled internally generated reports provided by Benefits to Commission payroll reports to identify gaps in coverage (e.g. matched employees with automatic payroll deductions with employee included on Benefits report). Note: The insurer does not maintain Commission records of all employees covered.

Major Audit Concerns

During the completion of the steps above, the OIG identified four major audit concerns.

1. **Incomplete Reconciliation of Life Insurance Enrollment** - Benefits failed to ensure all employees who enrolled in life insurance via ESS in the fall of 2019 were provided the EOI form. Some of these employees were being charged life insurance deductions through payroll but were not actually covered.
2. **Lack of Oversight of Life Insurance Enrollment Process** - Benefits did not adequately communicate to the Department of Human Resources Management (DHRM) management an internal decision to remove life insurance enrollment from ESS.
3. **Incomplete Standard Operating Procedures** - Benefits does not have documented standard operating procedures for the issuance, tracking, and monitoring of EOI forms.
4. **Low Enrollment in Basic Life Insurance** - Benefits did not adequately communicate to DHRM management the Commission's basic life insurance enrollment statistics.

Additional Information on the major audit concerns are discussed below in the Detailed Commentary and Recommendations section.

Detailed Commentary and Recommendations

1. Incomplete Reconciliation of Life Insurance Enrollment

Issue: Benefits did not thoroughly reconcile requested coverage through ESS with payroll records, and the receipt of EOI forms.

To better understand the issue, the OIG has documented the current ESS enrollment and reconciliation process.

1. Life insurance enrollment is not a typical feature of the fall annual open enrollment period as employees can apply anytime for life insurance throughout the year. Enrollment was solely a paper process (e.g. paper application sent to Benefits), except for the open enrollment periods in the fall of 2018 and the fall of 2019. It continued to be a paper process for new hires, ongoing enrollment and employees not eligible to use ESS or chose not to use ESS during the 2018 and 2019 open enrollment periods.
2. In 2016, the Commission implemented ESS (**except for life insurance**), with assistance from Office of the Chief Information Officer and an Infor consultant. Life insurance enrollment continued to be a paper process.
3. For calendar year 2019², Benefits negotiated a special open enrollment period, coinciding with the normal open enrolment period of three (3) weeks in the fall, with the insurer to conduct a one-time guaranteed issue period for employees who were not enrolled in life insurance, including those employees who were previously declined for coverage. The purpose of the special enrollment was to increase the number of employees enrolled in life insurance. Employees were able to apply electronically for life insurance coverage through ESS or use paper enrollment. Employees **did not** have to complete an EOI form during this special open enrollment unless they elected coverage above the guaranteed issue.
4. For calendar year 2020, employees could still apply for life insurance coverage (basic, supplemental, spouse, dependent) by using paper enrollment or through ESS, available only during the annual fall open enrollment period of (three (3) weeks. As the special waiver time frame expired, this required extra work from Benefits to include:
 - At the conclusion of the three-week enrollment period, Benefits was required to run a report out of Infor to identify employees who elected life insurance coverage using ESS. Benefits also received paper applications

² The special open enrollment via ESS occurred in the fall 2018, with life insurance coverage effective as of calendar year January 2019.

- from employees with no access to ESS or employees who had access but chose not to use ESS.
- Benefits was required to review the report to determine if the employee was required to complete an EOI form. If an employee required an EOI form, the form was sent to the employee from Benefits.
- Once the form was sent to the employee, Benefits had to remove the employee from the life insurance module. This was done to stop automatic payroll deductions for life insurance coverage.
- Once the form was returned to Benefits from the employee, it was forwarded to the insurer for underwriting approval.
- The insurer would subsequently notify Benefits and the employee of their underwriting decision.
- If approved, Benefits would reenter the employee information into the Benefits module in the ERP system and initiate the required payroll deduction.

After becoming aware of the error that affected the deceased employee, Benefits initiated an internal review of coverage (basic and supplemental). The review identified 70 employees who enrolled in life insurance during fall 2019 special enrollment and required the EOI form prior to actual enrollment. However, only 53 employees were sent the form for completion (17 employees were not sent the form). Benefits did, as their procedures required, remove the 53 employees from the Benefits module and stopped their payroll deductions.

Subsequently, Benefits stopped the payroll deductions for life insurance premiums for the 16³ employees, so that the last deduction was taken as of April 30, 2021. In addition, on May 6, 2021, Benefits sent emails to the employees, notifying them of the error and that they would receive refunds for premiums paid, from January 1, 2020 through April 30, 2021. Benefits also attached EOI forms, so they could apply for life insurance coverage.

On June 4, 2021, Benefits sent supporting documentation to Payroll to process employee refunds for the premium deductions, effective as of pay date June 11, 2021. Total refunds equated to \$4,973.17 (\$4,311.67 supplemental, \$542.85 basic life, \$118.65 dependent).

Findings/Conclusion: Benefits personnel did not provide reasonable due diligence to ensure life insurance enrollment records were reconciled.

We recommend HR management enhance standard operating procedures for life insurance application and enrollment, including the processing of EOI forms. Procedures should include roles and responsibilities for processing, reconciliation, and review by management.

We also recommend Benefits personnel collaborate with Commission IT professionals to discuss enrollment workflow and possible automation of processes.

³ 17 minus deceased employee

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Management Response: If an employee enrolled in life insurance via ESS, deductions were taken from their paycheck. If Benefits ended a record created by ESS because an EOI was required, then no deductions were taken. Benefits ended all records that required EOI, except for the 17 missed due to the oversight. Once the EOI form was returned and subsequently approved, the election was entered into Infor and deductions began. If an audit of payroll deductions were conducted for whom EOI was received, this would not have identified the missing 17 employees because they were never sent the EOI form. Payroll records reflect the enrollments pulled directly from the benefits records in Lawson that do not identify which employees require or do not require EOI.

The recommended reconciliation will no longer be necessary as the life insurance plan is no longer included in the options available through the ESS. Management is consulting with the Office of the Chief Information officer (OCIO) to explore use of ESS with modifications for the life insurance plans. Until that time, paper enrollments will be used. Management will explore generating a report from Lawson that will identify employees who require EOI.

Management appreciates the recommendations to enhance standard operating procedures for life insurance application and enrollment, including the processing of EOI forms. Standard Operating Procedures (SOP) were developed to include roles and responsibilities for processing, reconciliation, and review by management.

Management is also very receptive to the recommendation that Benefits personnel collaborate with Commission IT professionals to discuss enrollment workflow and possible automation of processes. An initial meeting with the OCIO was conducted on July 26, 2021 to discuss how they can help with workflow and automation.

Expected Completion Date: December 2021

The following are completed:

Initial meeting with OCIO to discuss workflow and automation – July 26, 2021

Follow up meeting with OIG – July 30, 2021

Series of meetings with OCIO to develop workflow and automation – September 30, 2021

SOP – October 31, 2021

Follow-up Date: March 2022

2. Lack of Oversight of Life Insurance Enrollment Process

Issue: Corporate Human Resource (HR) management does not provide robust administrative oversight for life insurance enrollment. Optimal management information flow is dependent upon all levels, both upward and downward, and plays a significant role in effective managerial oversight.

Findings/Conclusion: During summer 2020, the Health & Benefits Manager unilaterally decided to remove life insurance enrollment from ESS, returning to the former paper process. The Benefits Manager's decision to remove life insurance enrollment from ESS was not discussed with the Corporate HR Director prior to removal. Although the change reduced the administrative burden for Benefits personnel, it increased enrollment complexity for Commission employees.

The Benefits Manager informed OIG that at the time, no specific problems had been identified relating to the fall 2018 and 2019 enrollments, prompting the decision. The decision was solely based on the additional manual work required to complete life insurance enrollment when employees used ESS.

The Health & Benefits Manager did not initiate conversations with IT to determine the feasibility of automation to assist in processing prior to removing from ESS. Additional information on this concern is discussed in Finding #5 below.

Although removal from ESS may have provided a temporary solution, several potential opportunities for improvement and risk reduction have been overlooked due to the lack of communication and oversight. If the Corporate HR Director was aware of the complexity of the internal processing requirements, it would have provided an opportunity to discuss and understand the internal challenges and to explore possible solutions (e.g. implementation of workflow and additional ERP reports

We recommend the following:

- The Corporate HR Director should assume a greater role in providing oversight and guidance to the Benefit Manager. The Corporate HR Director, in conjunction with the Benefits Manager should determine and communicate which policy and operational decisions must be escalated for discussion before implementation.
- The Corporate HR Director should develop key performance indicators (KPI) for the administration of benefits. KPIs are a set of quantifiable measures that may be used to gauge operations over a period of time and are useful in many ways for tracking and improving performance:
 - Help communicate performance to senior management.

- Identify trends and timely pinpoint areas needing improvement.
- Identify areas of strength.
- Evaluate progress in achieving strategic and operational goals.
- Compare and benchmark performance against similar agency operations (i.e., industry standards and best practices).

The first step in developing KPIs is determining which areas to measure, usually based on organizational objectives, high risk processes and areas of particular interest. The data upon which KPIs are based should be readily available, quantifiable, and related to efficiency and effectiveness.

After deciding what to measure, the second step is to establish and communicate the meaning of the selected KPIs, how they are calculated, and exactly what they measure.

The third step is to select benchmarks for comparison purposes to assist with gauging performance. Initially, it may be helpful to compare performance with available historical data, as well as with industry best practices.

Management Response: Management agrees that more robust administrative oversight can be provided. The Benefits Manager was never given (during her/his tenure) any directives as to what to report or communicate to management on the life insurance or any other benefits plans or programs, or which decisions require communications with management. It was expected that any significant changes or areas of potential risk would be communicated in advance. The Benefits Manager made the decision to remove life insurance from ESS because of the administrative burden. DHRM management was not informed of the decision to remove life insurance from ESS because the original decision to add life insurance to ESS was not communicated either. In either case, the Benefits manager did not inform Management of these decisions because the benefits manager considered it a decision under her/his purview that did not require consultation with Management. Standing weekly management meetings will be scheduled between the Corporate HR Director and Benefits Manager to ensure closer oversight and guidance.

Complexity was not increased for employees. ESS is available only 3 weeks out of the year. Paper is used during the remaining forty-nine (49) weeks of the year. Even during the three (3) weeks of open enrollment, some employees with access to ESS continue to use paper because they deem it easier to use than the ESS.

Management agrees that the Corporate HR Director, in conjunction with the Benefits Manager, should determine and communicate which policy and operational decisions must be escalated for discussion before implementation. Management also agrees that the Corporate HR Director in conjunction with the Benefits Manager should develop key performance indicators (KPI) for the administration of benefits.

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Expected Completion Date: December 2021

Agreement between the Corporate HR Director and the Benefits Manager on which policy and operational decisions must be escalated for discussion before implementation - November 30, 2021.

Development of KPI for the administration of benefits – December 31, 2021.

Follow-up Date: March 2022

3. Inadequate Standard Operating Procedures

Issue: Health & Benefits have standard operating procedures (SOP) for general plan administration, however, the SOPs do not provide guidance for tracking and monitoring employees required to complete Evidence of Insurability (EOI) forms. Benefits staff do not track and monitor to whom they send the EOI forms and do not monitor if employees return the forms, as required.

Because of an administrative error, staff failed to identify 17 of 70 employees who were required to complete an EOI form, for the insurer to underwrite (approve or deny) life insurance coverage. Benefits did not communicate this requirement to employees. Consequently, employees remained uninsured for their selected coverage (basic, supplemental and dependent life insurance).

Findings/Conclusion: Considering the manual labor required for identifying employees in Infor who may require an EOI form, management should explore the feasibility of implementing an information technology (IT) solution.

In the absence of an IT solution, management should document the manual procedures used to identify employees who need an EOI form.

- The procedures should include the requirement of a secondary reviewer of another staff member's work in addition to data entry and processing.
- The procedures should include the requirement to track and monitor to whom EOI forms are sent and to monitor who returned them to Benefits.
- Periodically run Infor Reports, at least monthly, to review life insurance enrollment. Document and maintain the results of each review.

The Benefits Manager stated the office's current action plan includes a comprehensive review of all employees who enrolled in life insurance for effective dates of January 1, 2018 through June 17, 2021. The review will include all employees, whether they enrolled through ESS or via paper enrollment. OIG recommends including the additional step of verifying all required EOI forms were completed and sent to the insurer. Also, document and keep results of all manual reviews.

Management Response: H&B has now created an excel tracking sheet for all EOI activity and to follow up on outstanding EOI forms. Procedures for the manual workflow are currently being developed. The requirement of a secondary reviewer has always been in place for decades, and continues to be in place, for all data entry and processing of enrollment requests for life insurance and any other benefit plans. The report from Infor, of the employees who used ESS to enroll in life insurance, was not considered data entry or processing of enrollments requests,

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and therefore not reviewed by a second specialist; however, Management agrees that a secondary review should have been done. H&B will implement the requirement for a secondary review for procedures that are considered of critical importance, other than data entry and processing of enrollment requests.

Monthly enrollment reports from Infor are run for all benefit plans including life insurance and tracked on an excel report. This practice has also been in place for decades. The report provides names of employees enrolled and coverage level as of the date requested on the report parameters. The report will not provide information on who requires EOI. Currently H&B reviews the enrollment numbers for reasonableness compared to prior months' enrollment numbers to determine the need for an investigation if there is a significant change. H&B will establish other criteria to expand on the review of the enrollment report.

Expected Completion Date:

EOI tracking sheet – Already being done as of June 2021.

Requirement of a secondary reviewer – H&B will implement the requirement for a secondary review for procedures that are considered of critical importance, such as need for EOI, other than data entry and processing of enrollment requests. – Immediate.

Expanded Review of Monthly enrollment reports – August 31, 2021.

Meet with Management to discuss how frequently they would like to see enrollment report – August 31, 2021

Follow-up Date: March 2022

4. Low Enrollment in Basic Life Insurance and Accidental Death and Dismemberment

Issue: 2,168 employees are eligible for low cost⁴ basic life insurance (2x their annual salary, with a maximum of \$200,000 in coverage) and AD&D coverage. OIG's reconciliation analysis identified **671** eligible full-time employees that were not enrolled in basic life and AD&D insurance⁵, as of pay date June 11, 2021. That is 31% of the eligible population.

Based on discussions with Benefits, there appears to be a number of Commission employees who mistakenly believe they are automatically enrolled in basic life insurance, even after the 2019 special enrollment program. This is a reasonable belief given the very low cost of coverage (i.e. cost is not prohibitive given the value of the benefit). The Commission pays 80% of the basic insurance premium for enrolled employees. The average bi-weekly cost for basic coverage is \$1.65 per pay period, with a maximum deduction of \$2.14 (June 11, 2021 pay date).

Benefits failure to define root cause of low enrollment and offer solutions demonstrates a lack of strategic management and goes against the Commission's culture of employee support and empathy.

Low enrollment statistics have not been communicated upward to the Corporate HR Director or Executive Director. The Corporate HR Director does not request/receive enrollment reports from the Benefits Manager to keep informed of possible gaps/irregularities. (Please see Issue #2, Lack of Oversight of Life Insurance Enrollment Process).

Findings/Conclusion: It is reasonable to conclude that Benefits is not adequately communicating the benefits insurance process to employees during new hire orientation as well as providing needed follow up to ensure new employees are aware of deadlines.

We recommend the following:

- During orientation, new hires are bombarded with voluminous paperwork, which can be overwhelming. We recommend that Benefits re-engineer some aspects of new hire orientation pertaining to life insurance enrollment:
 - Orientation leaders should explicitly stress to new hires that enrollment in basic life insurance is not automatic. They must complete the required forms to enroll.
 - Emphasize that when employees enroll in basic life insurance, the Commission automatically enrolls them in Accidental Death & Dismemberment (AD&D) coverage. If they do not enroll for Basic coverage, they will not have AD&D coverage.
 - Update the Basic Life Insurance & AD&D Enrollment/Beneficiary Form (**Current form included as Exhibit A**) to indicate it must be returned to Health

⁴ Employee basic term life \$0.023 per \$1,000; Employee basic AD&D \$.0005 per \$1,000

⁵ The Commission automatically enrolls employees in AD&D insurance when they apply for Basic.

- & Benefits within 45 days of hire date to avoid the need to complete Evidence of Insurability (EOI) form. Include an email address on the form for submission.
 - Explain the insurer's use of the EOI form, along with potential outcomes if employees do not complete it.
 - Explain the requirements for enrollment in Supplemental Life Insurance and when the EOI form may be required.
 - Provide the new employee with a copy of the PowerPoint used during orientation or provide a brochure to refer back to highlighting key benefit points.
- Management should incorporate in existing forms or develop a new "Opt-Out" form that employees are required to sign and date if they do not wish to enroll in basic life insurance. Some employees may have legitimate reasons for not wanting the coverage, but they should be required to attest to this decision to protect the Commission. It may be feasible to add this option at the bottom of the current Basic Life Insurance & AD&D Enrollment/Beneficiary Form.
- Management should study the practicality and financial cost to the Commission to make basic life insurance mandatory (i.e. cover 100% of premium instead of 80%).
- For the 671 uninsured, initiate a Commission-wide campaign informing employees there is no automatic enrollment in basic life insurance with details explaining how, why and when to enroll.
- Provide a one-time opportunity for basic life enrollment up to 2x salary without evidence of insurability. This will also allow coverage in AD&D that these employees are likely unaware that they do not have.
- Management should consider including life insurance enrollment statistics as part of their key performance indicators (see Recommendation #2).

Management Response: H&B recognized the low enrollment and conducted the special open enrollment period in the fall of 2018. The availability of life insurance is addressed during open enrollment meetings, new hire orientation, on the agency's benefits website page, in the Employee Handbook available online, and in periodic articles in the agency's Update newsletter. H&B proposes a separate benefits orientation on the Tuesday following new hire orientation to provide a better experience with representatives from the benefit vendors in attendance.

The following recommendations are already in place:

- The benefits specialist who conducts new hire orientation reaches out to employees as their 45- day enrollment window approaches, around the 30th day, if benefits enrollment form is not received.

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- While the benefits specialist already explains that basic life insurance is not automatic and is a voluntary benefit, emphasis will be increased and attention will be made to the fact that AD&D is also not automatic and is available only if basic life is elected.
- A copy of the new hire orientation presentation deck is given to new hires during orientation.
- The standalone life insurance enrollment form is obsolete, but copies are still being used and are accepted. The new all-inclusive enrollment form (Exhibit B) used for enrollment in the majority of the benefit plans offered include instructions of where to submit the form and an email address.
- The new enrollment form advises of the 45-day window.

The following OIG recommendations will be implemented or discussed:

- Monthly enrollment reports will be provided to the HR Director.
- Enrollment forms will be revised to add the implications of not meeting the 45 days deadline.
- H&B will discuss with the HR Director the development of an “Opt-Out” form for life insurance and other benefit plans or the revision of the existing form to add an option for opting out.
- Another educational campaign will be conducted for life insurance during open enrollment in the fall of 2021.
- A meeting with the insurer will be scheduled to discuss another special Guaranteed Issue enrollment period.
- A discussion will be held with the Benefits Manager and the HR Director to determine the reasonableness of including life insurance enrollment in KPI.

The following has been approved by the Commission:

- The Commission has approved, effective January 1, 2022, automatic enrollment in basic life and AD&D of all employees currently not enrolled (including those previously denied coverage) and all new hires, with an option to opt out. If an employee opts out but later decides to re-enroll, they will have to submit evidence of insurability. The cost share will remain 80% paid by the agency and 20% by the employee.

Expected Completion Date: November 30, 2021

Follow-up Date: March 2022

5. Lack of Adequate Automated Processes

Issue: It was communicated by the Benefits staff the decision to remove Life Insurance enrollment from ESS was due to burdensome work effort to ensure employees were enrolled in the correct life insurance products with information correctly reflecting the employees wishes. This decision was made without consultation with the Office of the Chief Information Officer to gain a better understanding of Infor capabilities.

Findings/Conclusion: The insertion of certain technologies to improve work processes would streamline and simplify the administration of life insurance enrollment. We recommend the following:

- Benefits staff at the leadership of Benefits Manager, take online Infor classes and review application manuals to refamiliarize themselves with the capabilities of Infor as it relates to ESS and Benefits modules.
- Engage IT staff assigned to assist Benefits with ESS and ERP benefits applications to discuss automation challenges and possible solutions.
- Perform a gap analysis of where manual processes are currently and where Benefits would like to be regarding automation.
- Introduce more automated reports, spreadsheet reconciliations and email communications into current work practices to reduce manual work.

Management Response: The H&B manager unilaterally removed life insurance from ESS because the original decision to add it to ESS was unilaterally made by the H&B manager who determined it created more complications to have life insurance added to ESS. Each year, in preparation for the annual open enrollment season, The H&B staff has biweekly meetings with staff from the OCIO to discuss updates, revision and testing of ESS. The addition and removal of life insurance as an option in ESS would have been discussed during these meetings.

A review was conducted in 2018 and 2019 of the life insurance enrollments done via ESS; however, a second review by a second specialist was not conducted for 2019 but should have been done.

Management is in full support of the following recommendations.

- Benefits staff at the leadership of Benefits Manager, take online Infor classes and review application manuals to refamiliarize themselves with the capabilities of Infor as it relates to ESS and Benefits modules.
- Engage IT staff assigned to assist Benefits with ESS and ERP benefits applications to discuss automation challenges and possible solutions.
- Perform a gap analysis of where manual processes are currently and where Benefits would like to be regarding automation.
- Introduce more automated reports, spreadsheet reconciliations and email communications into current work practices to reduce manual work.

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Cc:

Executive Committee

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Jennifer McDonald
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EXHIBIT A

MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION BASIC LIFE INSURANCE & AD&D ENROLLMENT/BENEFICIARY DESIGNATION FORM

New Enrollment
 Beneficiary Change Only
 Dis-enroll Basic Life
 Dis-enroll Supplemental Life

EMPLOYEE INFORMATION (PLEASE PRINT)

Employee Name: _____ Hire Date: _____
 Employee ID: _____ Date of Birth: _____
 Address: _____ Home Phone: _____
 (Street, City, State, Zip) _____ Work Phone: _____

BENEFICIARY DESIGNATION (PLEASE PRINT)

I hereby designate the following person(s) as beneficiary(ies) for life insurance benefits. Funds will be disbursed as stated below. (See notes below.) Total % should equal 100%.

	Bene %
(1) Full Name _____ Relationship: _____ Address: _____ Date of Birth: _____ Social Security Number: _____ Phone Number: _____	_____
(2) Full Name _____ Relationship: _____ Address: _____ Date of Birth: _____ Social Security Number: _____ Phone Number: _____	_____
(3) Full Name _____ Relationship: _____ Address: _____ Date of Birth: _____ Social Security Number: _____ Phone Number: _____	_____
(4) Full Name _____ Relationship: _____ Address: _____ Date of Birth: _____ Social Security Number: _____ Phone Number: _____	_____

In the event there is no living primary beneficiary at my death, I designate the following person(s) as contingent beneficiary: **Bene %**

(1) Full Name _____ Relationship: _____ Address: _____ Date of Birth: _____ Social Security Number: _____ Phone Number: _____	_____
(2) Full Name _____ Relationship: _____ Address: _____ Date of Birth: _____ Social Security Number: _____ Phone Number: _____	_____
(3) Full Name _____ Relationship: _____ Address: _____ Date of Birth: _____ Social Security Number: _____ Phone Number: _____	_____

1. *When more than one person is designated, for either the primary or contingent beneficiary (ies), if a percentage is not specified, the payment will be made in equal amounts to each surviving beneficiary, or the full amount will be paid to the last surviving beneficiary.*
2. *The contingent beneficiary (ies) will receive benefits, in the event all primary beneficiary (ies) die before the employee.*
3. *You have the right to revoke or change any of these beneficiary designations at any time by completing another form.*

PAYROLL AUTHORIZATION AND VERIFICATION

I verify the accuracy of the information contained in this Beneficiary Form. This form supercedes any beneficiary designation previously filed with The Maryland-National Capital Park & Planning Commission.

I authorize The Maryland-National Capital Park & Planning Commission to deduct the required contributions from my earnings for my life insurance coverage which includes AD&D coverage.

Employee Signature _____	Date _____
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HRIS _____ Verified _____