



NelsonHall
TRANSFORM THROUGH INSIGHT

Vendor Profile

Next Generation Benefits Administration

Alight

Report Abstract

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Who is This Vendor Assessment For?

NelsonHall's Benefits Administration profile on Alight is a comprehensive assessment of Alight offerings and capabilities, designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of Benefits Administration Services and identifying vendor suitability for security services RFPs
- Vendor marketing, sales, and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the Benefits Administration Services sector.

Key Findings & Highlights

This NelsonHall vendor assessment analyzes Alight's offerings and capabilities in Benefits Administration Services.

Alight, Inc. (Alight Solutions, NYSE: ALIT), headquartered in Illinois, provides integrated digital human capital and business solutions, including health, wealth, wellbeing, and payroll. Alight was listed as a public company on the NYSE in July 2021 (ticker symbol "ALIT"). Alight has ~18k employees across 39 countries supporting HR and Cloud services.

Alight was formed in May 2017 after the acquisition of the benefits outsourcing business of Aon PLC by Blackstone Group L.P. and other co-investors. In 2017, Aon sold its outsourcing businesses (including benefits administration, multi-process HR services, and cloud HR/payroll services) to Blackstone for ~\$4.3bn.

However, the company has operated for more than 25 years. Most of its benefits administration capabilities are derived from the Hewitt Associates outsourcing business. Following the 2017 transaction, the Alight benefits administration platform continued to power the Aon Active Health Exchange, and in October 2021, Alight purchased back the Aon Retiree Health Exchange.

Today, Alight services ~36m employees/retirees (plus their dependents) across ~5k H&W administration clients with its~ 4.1k health colleague delivery organization. Alight administers ~13k unique health plan designs, ~\$100bn in annual premiums, and integrates with thousands of carriers, health and wellbeing vendors, and client partners.

Alight made several strategic acquisitions in recent years to strengthen its benefits administration capabilities, including:

- ReedGroup, December 2022, to support employees and their dependents through the employee life-cycle by adding new content, capabilities, and products that simplify HR interactions and decision-making. ReedGroup is a provider of absence management, disability management, and clinical decision support solutions to the large employer market in the U.S. and Canada via four core segments - outsourcing, SaaS Canadian outsourcing, and MDGuidelines. ReedGroup serves nearly 50% of Fortune 100s with operations across the United States, Canada, and India

- Aon Retiree Exchange, October 2021. The Aon Retiree exchange has supported clients' retirees in the Medicare market since 2008, helping over 150 clients and serving over 1m retirees. Combined with the Choice Health capabilities referenced below, Alight provides comprehensive support for the full spectrum of retiring workers: those with employer-sponsored retiree health coverage, those with employer-subsidized individual Medicare coverage, and those without employer support. Using licensed agents, Alight can help transition workers from employer-provided healthcare plans to Medicare Advantage plans to support retirement.

Scope of the Report

The report provides a comprehensive and objective analysis of Alight's Benefits Administration Service offerings and capabilities, and market and financial strengths, including:

- Identification of the company's strategy, emphasis, and new developments
- Analysis of the company's strengths, weaknesses, and outlook
- Revenue estimates
- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts
- Analysis of the company's offerings and key service components
- Analysis of the company's delivery organization including the location of delivery centers.

Next Generation Benefits Administration Assessments also Available for:

ADP

bswift

Conduent

Empyrean

Fidelity

isolved

Mercer

TELUS Health

About The Author

DeeAnna Warrington is a Principal Research Analyst at NelsonHall and an HR Technology & Services practice member. She has global responsibility for HCM technology, workforce management, and health & welfare administration.

DeeAnna is a highly experienced HR Specialist with 15 years of experience across various industries such as finance, wealth management, health insurance, healthcare, retail & sales, and real estate. She has significant experience in HR business operations and technology, acting as a consulting project manager to match organizations with HR software and service providers.

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