05 FEB 2007

BENEFITS MANAGEMENT SYSTEM

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Background of the Invention

1. Field of the Invention

The present invention relates generally to methods of conducting business using the Internet. More particularly, the present invention relates to a system and method for managing and distributing employee benefits from an employer.

2. Description of the Related Art

In most corporations, the hiring and retention of employees has become such a large administrative task that a human resources department is required to manage all of the different employee issues. One reason that companies face so many problems managing employees can be traced to the ever-increasing complexity of compensation packages that are being offered to employees.

In addition to a salary, many compensation packages include a number of benefits, many of which have become standard in the past few years. Traditional benefits include insurance, sick leave, and vacation days, however benefits such as stock options, pension plans, wellness or health funds, educational or technology allowances, and flexible work hours have become commonplace. One undesirable effect of having so many benefits become standard in corporate compensation packages is that both employees and human resources personnel have been weighed down with the heavy administrative burden of managing all of the different benefits. This is particularly true in large corporations, which must invest heavily in human resources.

Some employee benefits, such as vacation and sick leave accumulate over short periods of time, *i.e.* one vacation day per month of employment. Other benefits such as wellness funds or technology allowances are often granted in a lump sum or renewed only once per year. Because both vacation and sick leave do not typically involve any type of

financial transaction, the number of days accumulated and used is relatively easy to calculate and track. However, many other benefits such as wellness, educational, or technology allowances, are much more difficult to manage.

For example, if a company grants a $500 employee wellness allowance per year for purchasing sporting goods or a health club membership, both the employee and the human resources manager must complete a tedious process. Each employee must independently make the purchases before retaining and submitting the receipt to the company. At the same time, a human resources manager must keep track of the amount of money allotted to each employee, deduct the purchases, write a check for reimbursement, and replenish the account the following year.

One of the problems with using the allowances is that employees are often unwilling to go through the troublesome process of making a purchase, retaining and submitting the receipt, and then waiting for reimbursement. In cases where allowances expire at the end of the year, companies often face the problem of having a large number of employees trying to utilize their benefits before they expire, creating an administrative headache for the human resources department.

Another problem with giving a specific allowance for short periods of service is that the employer will incur high costs maintaining and making so many frequent changes to each employee's account. Therefore, most companies opt for granting a larger allowance on a yearly basis at the beginning of employment or the beginning of each year. However, giving a yearly allowance also creates problems, particularly if an employee is fired or resigns before the year has been completed.

For example, if an employee is given a yearly wellness allowance of $500, which he spends immediately upon the start of employment and resigns shortly thereafter (*i.e.* within a few weeks or even a few months), the employer will have lost the entire $500, which was intended to be an employee benefit for a full year of service. Furthermore, employees who have the intention of resigning will usually attempt to maximize the use of all of their benefits (*i.e.* using any unspent money or perks and taking all remaining leave) before tendering their resignation.

This common and legitimate "exit strategy" adds insult to injury for employers who suffer not only the loss of an employee, but also the loss of the full amount of any allowances granted to the employee, particularly because employers typically grant allowances based on a full year of service. The main reason that employees use all of their benefits before resigning is that the benefits are not portable and cannot be transferred or forwarded from one company to another.

In view of the foregoing, it is desirable to have a method and system to efficiently manage and disburse funds from employee accounts so that employers may reduce the risks posed by resignation by making smaller contributions for smaller time periods of service. It is also desirable to have a method and system that allows employees to transfer their benefits from one employer to another. It is further desirable to manage and maintain employee accounts or benefits allowances over the Internet.

Summary of the Invention

The present invention fills these needs by providing a benefits management system. It should be appreciated that the present invention can be implemented in numerous ways, including as a process, an apparatus, a system, a device or a method. Several inventive embodiments of the present invention are described below.

In one embodiment of the present invention, a method for making a purchase is provided. The method includes registering an employee account with a flexible accounts system through a web site over the Internet. An employee account is attached to an employer, which then deposits a sum of money into the employee account through the flexible accounts system. The employee then makes a purchase from a sales and service provider, which receives the purchase price from the employee account through the flexible accounts system. The employee may request a voucher from flexible accounts system over the Internet to make the purchase. Alternatively, the sales and service provider may preferably receive the funds into a sales and service provider account by making the request to the flexible accounts system over the Internet.

In another embodiment of the present invention, a flexible accounts system is provided. The system is centered on a flexible accounts web portal. An employee account is coupled to the flexible accounts web portal and used by an employee to make a purchase from a sales and service provider. The system also includes an employer account coupled to the flexible accounts web portal, which may be used to access the employee account and deposit a sum of money in said employee account. To make a purchase, the employee may receive a voucher to be redeemed with the sales and service provider by requesting a voucher through the flexible accounts web portal. The sales and service provider may also complete the transaction by requesting a transfer of a purchase price of the purchase through the flexible accounts web portal from the employee account.

In yet another embodiment of the present invention, a method for transporting an employee account is provided. The method begins by determining whether an employee is employed with a first employer. If the employee is not employed with the first

employer, then the employee account is detached from the first employer in the flexible benefits system. The method then determines whether the employee has found a second employer. If the employee has started a new job, then the employee account is attached to the second employer in the flexible benefits system. Requests for attaching and detaching are preferably received by the flexible benefits system over the Internet.

The method for transporting employee accounts may also be used to transport left over vacation or leave. A sum of money is preferably deposited into the employee account based on a first number of days of leave left over with the first employer as well as the employee's salary with the first employer. The money may then be transferred with the employee account when it is attached to the second employer. The money may also be converted into a second number of days of leave based on the employee's salary with the second employer.

Other aspects and advantages of the invention will become apparent from the following detailed description, taken in conjunction with the accompanying drawings, illustrating by way of example the principles of the invention.

Brief Description of the Drawings

The present invention will be readily understood by the following detailed description in conjunction with the accompanying drawings. To facilitate this description, like reference numerals designate like structural elements.

Figure 1 is a block diagram of a flexible accounts system in accordance with one embodiment of the present invention.

Figure 2 is a screen shot of a PorteFit system at a registration web page 22 in accordance with one embodiment of the present invention.

Figure 3 is a screen shot of a PorteFit system at a home web page in accordance with one embodiment of the present invention.

Figure 4 is a screen shot of a PorteFit system at an IDL/EMP web page in accordance with one embodiment of the present invention.

Figure 5 is a screen shot of a PorteFit system at an IDL/PorteLeave web page in accordance with one embodiment of the present invention.

Figure 6 is a screen shot of a PorteFit system at an IDL/PorteVoucher web page in accordance with one embodiment of the present invention.

Figure 7 is a screen shot of a PorteFit system at a SSP/promotions web page in accordance with one embodiment of the present invention.

Figure 8 is a screen shot of a PorteFit system at a SSP/Point-Of-Sales (POS) web page in accordance with one embodiment of the present invention.

Figure 9 is a screen shot of a PorteFit system at a SSP/e-Report web page in accordance with one embodiment of the present invention.

Figure 10 is a flow chart of a method for making a purchase using an employee account in accordance with one embodiment of the present invention.

Figure 11 is a flow chart of a method for transporting an employee account in accordance with one embodiment of the present invention.

Detailed Description of the Preferred Embodiments

A method and apparatus for efficiently managing employee accounts is provided. In the following description, numerous specific details are set forth in order to provide a thorough understanding of the present invention. It will be understood, however, to one skilled in the art, that the present invention may be practiced without some or all of these specific details. In other instances, well known process operations have not been described in detail in order not to unnecessarily obscure the present invention.

Figure 1 is a block diagram of a flexible accounts system 10 in accordance with one embodiment of the present invention. Flexible accounts system 10 includes a web portal 12, which is connected through the Internet to a number of clients, including individual (IDL) employees 14 and their employers (EMP) 16. Flexible accounts system may also preferably be connected to a number of additional clients such as sales and service providers 18 (SSP). Although only one IDL 14, EMP 16, and SSP 18 is illustrated, it will be understood by a person of ordinary skill in the art that many IDLs, EMPs, and SSPs may be serviced by flexible accounts system 10.

Web portal 12 is maintained and supported by a web server (not illustrated) and managed by a flexible accounts manager (or agent) 20. Each of clients IDL 14, EMP 16, and SSP 18 may register online to the web site supported by web portal 12. The web site, which has been named PorteFit™, requests entry of relevant information for each client. Flexible accounts manager 20 then reviews the information entered by each client and completes registration with the PorteFit system.

Figure 2 is a screen shot of a PorteFit system at a registration web page 22 in accordance with one embodiment of the present invention. Registration web page 22 allows new customers to register categorized by entity type. For example, an EMP that is interested in distributing benefits to its IDLs would register by clicking an EMP tab 24. The PorteFit system then requests information from the EMP, which is then reviewed by an account agent who registers the EMP as a PorteFit client and programs benefits information given by the EMP into the PorteFit system. Similarly, individual employees

and sales and service providers may register with PorteFit by clicking onto one of IDL tabs 26 and SSP tabs 28.

Figure 3 is a screen shot of a PorteFit system at an IDL home web page 30 in accordance with one embodiment of the present invention. Once the EMP is registered, the PorteFit system then allows IDLs of the EMP to register as well in order to start accessing and using the benefits allocated by the employer. After an IDL is logged into the PorteFit System through the Internet, IDL home page 30 offers a number of options to manage and use his account.

For example, clicking a SSP listing tab 32 would access a list of providers that the employee can purchase goods or services from using the benefits in the account while clicking a promotions tab 34 will list any special deals offered by the providers. Such special deals might also be displayed throughout the PorteFit web site, for example in an advertisement banner 36. In addition, by clicking an e-Report tab 38, the IDL may access a record of all of his account activities.

One of the key features of the present invention is the portability of the IDL accounts registered with PorteFit. If IDLs resign or change companies, they are able to take their benefits with them. While the schemes for portability are easily configured for each IDL and EMP, the ability to retain and move employee benefits is an advantage for both employee and employer. For example, if an IDL is always able to access unused portions of his benefits account, there will no longer be any motivation to empty the account before ending employment or before the end of the year because the fear of losing the benefits has been removed.

In turn, EMPs will therefore have the flexibility to grant benefits over shorter periods of time (*i.e.* rather than a lump sum for each year) without fear of losing the entire sum due to employee resignation. Furthermore, EMPs will not need to dedicate as much personnel to managing the benefits accounts and avoid administrative pressure resulting from a rush to use the benefits at the expiration of any benefits period (*e.g.* the end of the year or fiscal year).

Figure 4 is a screen shot of a PorteFit system at an IDL/EMP web page 40 in accordance with one embodiment of the present invention. After the commencement of employment, an IDL may submit a request to attach his registered account to the EMP to receive the corresponding benefits plan by clicking an attach tab 42. Similarly, at the conclusion of employment, an IDL (or ex-employee) may detach the account from the EMP by clicking a detach tab 44.

The attach and detach requests made by an IDL may be subject to approval by both the employer (in particular a new employer) and a PorteFit manager. The seamless transfer of IDL accounts from ex-employer to new EMP as well as the retention of the account regardless of employment status permits great flexibility to structure employee compensation packages to the benefit of both IDL and EMP. As will be described in greater detail below, an IDL has many ways of using benefits in the PorteFit system, identified by the PorteVoucher, PorteCredit, and PorteLeave tabs.

Figure 5 is a screen shot of a PorteFit system at an IDL/PorteLeave web page 46 in accordance with one embodiment of the present invention. One of the unique features of the PorteFit system is that it is adaptable to almost any type of employee benefit, including vacation or leave, which is usually a non-transferable benefit. By clicking a PorteLeave tab 48, an IDL may access a web page that manages his annual leave by converting the leave to a monetary value.

For example, this particular IDL has a monthly income of $3,500, therefore 14 days of leave is converted to a PorteLeave balance of $2,450. If one day of leave is requested and taken, $175 of the PorteLeave balance will be paid back to the EMP. The PorteLeave balance may either be liquidated or transferred to a new EMP, where the balance will be used to calculate a number of leave days based on the new salary.

Figure 6 is a screen shot of a PorteFit system at an IDL/PorteVoucher web page 50 in accordance with one embodiment of the present invention. An IDL clicks a PorteVoucher tab 52 to navigate to this page, which displays the PorteCredit balance in the IDL's account. The IDL is then able to enter a request for a voucher that is issued by the PorteFit system for a specified amount of money that is deducted from the PorteCredit

balance. The voucher may then be redeemed by either the employee's EMP or a SSP registered with PorteFit.

Although it is not necessary to register SSPs to operate the PorteFit system, having a number of registered SSPs is advantageous for all parties. Both IDLs and SSPs will be able to make transactions over the Internet. IDLs may be allowed to order online or visit the SSPs in person to make a purchase that does not require either cash or a PorteVoucher (as described above). Instead, by using a personal identification number (PIN) or other password provided by the IDL, the SSP will be able to deduct PorteCredit directly from an IDL's account through the PorteFit web site.

The PorteFit web site also allows many opportunities for SSPs to advertise, especially if a specific EMP and a specific SSP agree on special promotions for the EMP's employees. The ability to advertise and post promotions is illustrated in Figure 7, which is a screen shot of a SSP/promotions web page 54 having an add tab 56, an edit tab 58, and a remove tab 60 for managing the advertisements. Clicking a promotions tab 62 accesses the page. In addition to being able to advertise on the web site to potential purchasing IDLs, the PorteFit system also enables SSPs to manage the sales they have through the system. One of these management options is to control the different retail locations at which the PorteFit system may be used.

Figure 8 is a screen shot of a PorteFit system at a SSP/Point-Of-Sales (POS) web page 64 in accordance with one embodiment of the present invention. By accessing this page with a POS tab 66, a SSP is able to add or remove an account for an individual outlet by clicking an add tab 68 or a remove tab 70. The list of available POS outlets may be accessed by clicking a list tab 72. For example, a listing of retail outlets may include locations at Orchard Road, Somerset, and Changi Airport in Singapore.

Figure 9 is a screen shot of a PorteFit system at a SSP/e-Report web page 74 in accordance with one embodiment of the present invention. By clicking an e-Report tab 76, a SSP may access the e-Report page that tracks the performance of the SSP PorteFit partnership. Sales purchased by IDLs through the PorteFit are tracked by the PorteFit system and may be displayed or downloaded by the SSP. The illustrated e-Report page 74 includes a daily tab 78 and a monthly tab 80 for tracking purchases based on time. A

POS tab 82 displays all transactions that were made at a specific retail outlet of the SSP. Although POS tab 82 is configured to display monthly sales, the PorteFit system may be altered to offer many other variations depending upon the SSP's needs.

Figure 10 is a flow chart of a method 84 for making a purchase using an employee account in accordance with one embodiment of the present invention. Method 84 begins at a block 86 where an employee account is registered with a flexible accounts system (preferably the PorteFit system) either by an IDL or the IDL's EMP. The account is then attached to the EMP. A sum of money is deposited into the employee account in a block 88 through the flexible accounts system. The money may be deposited into the employee account directly by the EMP through its EMP account.

The employee may then use the money by either requesting a voucher from the flexible accounts system or by directly visiting a retail outlet of a registered SSP. The voucher may be used as cash at any registered SSP, but to make a voucherless purchase, the SSP must have an account with the flexible accounts system and Internet access. When the IDL makes a purchase from a SSP in a block 90, the SSP may deduct the purchase price from the employee account, thus completing the transaction.

Figure 11 is a flow chart of a method 92 for transporting an employee account in accordance with one embodiment of the present invention. Method 92 begins at a block 94 where it is determined whether the employee is employed with a first EMP. If the IDL is no longer employed with the first EMP, the IDL will then be detached from the first EMP in a block 96. The IDL may initiate a detach request directly from the employee account, which will then be confirmed by either a PorteFit manager and/or the IDL's former EMP.

A block 98 then determines whether the IDL is employed. If not, the IDL (who would then be an ex-employee) may still access and use the remaining balance in his account. However, if the IDL has found employment with a second EMP, then he will be attached to the second EMP within the flexible accounts system in a block 100. The attachment may be initiated by the IDL through the employee account and later confirmed by the second EMP.

Other embodiments of the invention will be apparent to those skilled in the art from consideration of the specification and practice of the invention. Furthermore, certain terminology has been used for the purposes of descriptive clarity, and not to limit the present invention. The embodiments and preferred features described above should be considered exemplary, with the invention being defined by the appended claims.

What is claimed is:

CLAIMS

1. A method for making a purchase using an employee account, comprising:

registering said employee account with a flexible accounts system, wherein said flexible accounts system is to be accessed over the Internet and wherein said employee account is portable;

attaching said employee account to an employer;

depositing a sum of money into said employee account; and

making the purchase from a sales and service provider, wherein said sales and service provider receives a purchase price of said purchase from said employee account through said flexible accounts system.

2. A method for making a purchase using an employee account as recited in claim 1, wherein said sum of money is deposited from an employer account registered with said flexible accounts system.

3. A method for making a purchase using an employee account as recited in claim 2, further comprising issuing a voucher to an employee.

4. A method for making a purchase using an employee account as recited in claim 3, further comprising requesting said voucher over the Internet.

5. A method for making a purchase using an employee account as recited in claim 3, wherein said purchase price received by said sales and service provider is received from said flexible accounts system by redeeming said voucher.

6. A method for making a purchase using an employee account as recited in claim 2, wherein said purchase price received by said sales and service provider is

transferred from said employee account to a sales and service provider account registered with said flexible accounts system.

7. A method for making a purchase using an employee account as recited in claim 6, wherein a request to transfer said purchase price to said sales and service provider account is received over the Internet.

8. A flexible accounts system, comprising:

a flexible accounts web portal;

an employee account coupled to said flexible accounts web portal, wherein said employee account is to be used by an employee to make a purchase from a sales and service provider and wherein said employee account is portable; and

an employer account coupled to said flexible accounts web portal, wherein an employer may use said employer account to access said employee account and deposit a sum of money in said employee account.

9. A flexible accounts system as recited in claim 8, wherein said employee requests a voucher from said flexible accounts system over the Internet to make said purchase.

10. A flexible accounts system as recited in claim 9, wherein a sales and service provider account is to receive said purchase price by redeeming the voucher with said flexible accounts system.

11. A flexible accounts system as recited in claim 8, further comprising a sales and service provider account coupled to said flexible accounts web portal, wherein said sales and service provider account is to receive a purchase price of said purchase from said employee account.

12. A flexible accounts system as recited in claim 11, wherein said sales and service provider account is to access said employee account through said flexible accounts web portal to receive said purchase price.

13. A flexible accounts system as recited in claim 12, wherein a request to receive said purchase price to said sales and service provider account is received over the Internet.

14. A method for transporting an employee account in a flexible benefits system, comprising:

determining whether an employee is employed with a first employer;

detaching said employee account of said employee from said first employer in said flexible benefits system if said employee is not employed with said first employer;

determining whether said employee is employed with a second employer; and

attaching said employee account to said second employer in said flexible benefits system if said employee is employed with said second employer.

15. A method for transporting an employee account as recited in claim 14, wherein a request for attaching said employee account and a request for the detaching said employee account are received by said flexible benefits system over the Internet.

16. A method for transporting an employee account as recited in claim 15, further comprising computing a sum of money to be deposited in said employee account, wherein said sum of money is based on a first number of days of leave.

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17. A method for transporting an employee account as recited in claim 16, wherein said sum of money is further based on an employee's salary with said first employer.

18. A method for transporting an employee account as recited in claim 17, converting said sum of money into a second number of days of leave based on said employee's salary with said second employer.