

# The digital benefits handbook

Five keys to a better experience for your  
small business

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## INTRODUCTION

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## Introduction

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# Employees need workplace benefits now more than ever

During the COVID-19 pandemic, businesses across the nation learned just how much their employees need workplace benefits to protect their physical and financial health. As people fell ill and struggled to recover, the safety net provided by their employers became more important than ever. Small companies were no exception.

### **SMALL BUSINESSES NEED BENEFITS TO BE EASY**

Offering benefits is often harder for small businesses — not just for reasons of cost, but also because administering benefits creates special challenges for HR in smaller enterprises.

[Our recent survey](#) of over 300 small businesses in the U.S. showed that 53% percent of companies with under 250 employees had a HR team consisting of just one person. And most often, small businesses don't have the luxury of having a person dedicated solely to employee benefits — for 38% of respondents, that one person wore many hats at their company.

These overburdened, constantly stretched people can find benefits administration exhausting. Keeping up with policies, employee information, enrollment and billing can devour their limited time — especially when they're using manual processes. They can spend days making phone calls, answering emails, filling out forms and searching for files — and that's time they could be spending on higher-value activities like finding the best people for their companies, and providing the human touch that helps create a positive company culture.

If benefits were easy, it would be easier for small businesses to find the resources to offer them.

### **EMPLOYEES NEED SIMPLICITY, TOO**

Much of the workforce is similarly stressed and overloaded. Technology has stepped in to help by making many everyday tasks faster and simpler, allowing people to get goods and services and make financial transactions on line. They are accustomed to friendly, simple interfaces that let them get things done with the click of a button, anywhere, anytime.

When benefits seem stuck in a pre-digital age — when people have to fill out repetitive paper forms, send endless emails to accomplish simple tasks, or struggle to understand complex coverage details without help — employees get frustrated. Worse than that, they can pass up the opportunity to get the protections they need because they're confused by their options or it just seems like too much work.

Luckily, the benefits world is starting to get with the program. Some carriers are rolling out digital processes designed to make administering and using employee benefits as quick and easy as any other consumer transaction here in the age of the internet. Some of these provide a couple of helpful digital tools, but a select few offer end-to-end digital benefits that maximize ease of use, time savings and employee support. Read on to learn five ways digital benefits can deliver a better experience for companies and employees alike.

# Digital benefits experience

Here's how digital benefits can help solve five common HR benefit challenges — and deliver a better benefits experience for companies and employees alike.



## GETTING UP AND RUNNING

- **Get it done fast.** Digitally provided plans require less time to set up.
- **Reduce errors.** Plans that integrate easily with employer systems reduce manual data entry and errors.
- **Make it easy.** Self-service portals let HR collaborate with brokers and provide company and employee information in a snap.



## ENROLLING EMPLOYEES

- **Boost participation.** Employees are more likely to enroll if the process is quick, easy and modern.
- **Reduce HR's Role.** Employee self-service portal, with built in evidence of insurability, lets HR take a back seat.
- **Build employee satisfaction.** Pre-populated online forms and built-in benefits education let employees enroll with less frustration and more confidence.



## ADMINISTERING BENEFITS

- **Put down the phone.** A self-service portal lets HR easily make employee-level changes across benefits.
- **Get targeted info.** See coverage by employee or policy in whatever level of detail you want.
- **Ditch the filing cabinet.** Find policies, disclosures and more in a digital document hub.



## PAYING THE BILL

- **Forget reconciliation.** With end-to-end digital benefits, bills are always up to date.
- **Customize your view.** See statements in as much or as little detail as you like — look back at historical data, too.
- **Pay with a click.** Easily add or delete bank accounts and pay online, if you want to.



## MAKING CLAIMS EASY FOR EMPLOYEES

- **Stop the runaround.** Self-service triage helps employees know where to start.
- **Speed the process.** Digital documentation uploads help move things along.
- **Surround employees with support.** Tech only goes so far — expert, empathetic live support is a must.

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# Why digital benefits technology is critically important

For our [HR Trends podcast](#), we recently sat down to discuss benefits and technology in the age of COVID-19 with two leading HR experts: **Lars Schmidt** and **Joey Price**.



## Lars Schmidt

Founder, Amplify and Author and Podcast Host, Redefining HR

Regardless of business, industry or size, over the next year or two almost every company should aim to make all of its operations digital by default.

Why? Because if you have employees working from home now, a portion will remain remote after the pandemic. And if you still have manual, spreadsheet, or paper-based operations, that's going to be a detriment — especially if you're competing for top talent who are accustomed to working in digital environments.



## Joey Price

Founder, Jumpstart:HR and Host, Business, Life, and Coffee Podcast

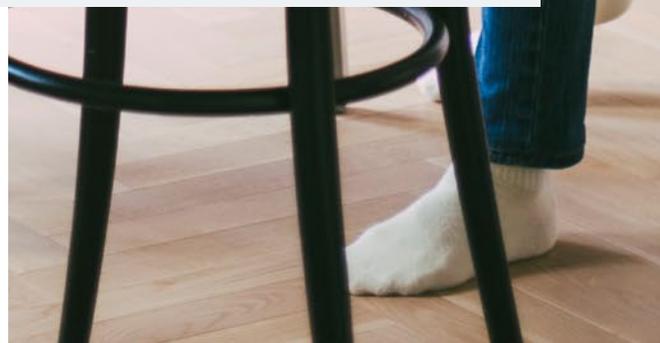
If COVID-19 isn't an impetus to go more digital, I don't understand what would be. Would it be your best people walking away because it's not easy for them to do their job?

Some employers look at costs and say they don't want to overspend on technology. But without it, you could be overspending on how your talent is using their time.

Maybe they're creating work hacks because digital tools or processes aren't in place. If you account for that, you probably have some dollars you could set aside for digital tools in the future.



[Hear the entire conversation](#)





## 1 Getting up and running

Benefit plans aren't simple things. They're highly complex and customizable, with many provisions and definitions that dictate what's covered, who's eligible and how much the benefit pays. Here's some of what happens when a company decides to offer employee coverage:

- **Design the plan.** The employer and insurer — and often the employer's insurance broker — work together to determine exactly what the plan will cover, how much it will cost, how much it will pay and how important terms will be defined, like earnings. The employer then has to take the plan submitted by the insurer and integrate it with whatever processes it uses to keep track of benefits — manual spreadsheets, benefits administration system, human resources information system, payroll, etc.
- **Provide company information.** The company supplies the insurer with details about the business, including legal name, tax ID, addresses and benefit contacts.
- **Determine eligibility.** The company decides whether everyone gets the coverage or just some employees, whether employees are covered immediately or have a waiting period, whether dependents are covered and more.

- **Provide employee census.** The insurer needs a complete list of every company employee, their contact information, their employment dates, their earnings and their dependents.

Every step of this process must be completed before a company can enroll the first employee and begin protecting them and their family with the benefit. (See graphic: "Before the first employee can enroll.")

If that sounds like a lot for a one-person HR shop, that's because it is.

For many smaller companies, the process is excessively time-consuming and confusing, with hours spent on the phone, miles of trips to the printer and the hassle of sending documents back and forth through email.



It can take up to

**90 days**

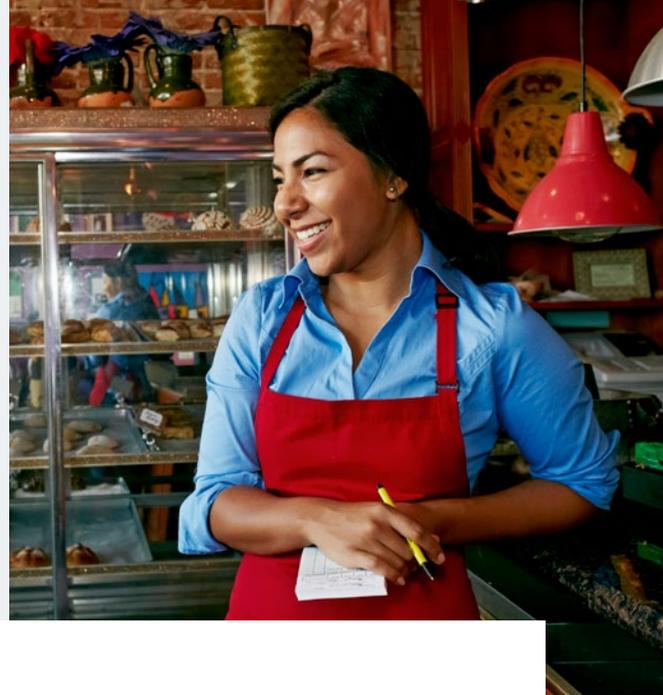
to get a benefit ready to offer using manual processes.

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# Before the first employee can enroll

Here's all the information a company must provide an insurance carrier when setting up a plan.

Digital processes shorten plan setup time from weeks to days.



## ✔ Design plan

- What will it cover?
- What will be excluded?
- What will it pay?
- What will it cost?
- How are important terms defined?

## ✔ Provide company information

- Name, address, phone, employer identification number (EIN), business type
- Repeat for all subsidiaries and locations

## ✔ Provide contact information

- Primary contact role
- Contact phone, email, contact preferences

## ✔ Specify employee eligibility

- Dependents covered?
- Domestic partners covered? Which ones? Length of time living together to be eligible?
- Age-dependent children will be ineligible for benefits?

## ✔ Detail employee earnings

- Overtime paid?
- 401(k) offered?
- Flexible spending accounts or Section 125 health plans offered?

## ✔ Provide details about the business's owners if they are covered

## ✔ Determine how employees are grouped for coverage purposes

- Minimum working hours
- Earning definitions
- Waiting periods for current employees?
- Waiting periods for employees hired later?

## ✔ Choose billing and payroll deduction options

- Number of payroll deductions
- Number of paychecks in a year
- Date of first payroll deduction
- Method of billing

## ✔ Sign legal documents

## ✔ Provide employee census



## THE DIGITAL DIFFERENCE

Fortunately, it doesn't have to be like this.

Instead of phone calls, emails and spreadsheets, a digital benefit experience can:

- **Deliver plans that can be easily and electronically integrated** into a company's existing systems — no confusion, no back-and-forth to resolve questions, and no manual data entry with its ability to introduce errors. (See graphic: "Anatomy of an error.")
- **Provide an easy-to-use self-service portal** with a customizable dashboard, where HR can enter and upload all the information the carrier needs to get the benefit up and running. The portal can be set up so HR can easily see where they are in the process, save their work and come back later to finish, and share access with the company's broker so they can help, without an unnecessary amount of back-and-forth.
- **Allow the user to align benefits with the way the company does business**, setting up company divisions, specifying employee eligibility, setting access permissions and administrative preferences for benefits management, and many other customizations made possible by the power of digital data processing.
- **Provide checklists and helpful instructions throughout**, with hover help and other techniques that let users quickly get the information they need, without having to plow through a lot of information they don't.

For many companies, all the information necessary to get a benefit ready to offer can be provided in about 30 minutes. After that, it is a matter of **days not weeks** before the insurer can deliver the policy and enrollment can begin.

But the best digital experiences also recognize that not everything can be solved with technology. They provide expert human backup that's always on, so questions and problems can be resolved easily, with no frustrating roadblocks, unresponsive chatbots or repetitive phone calls.

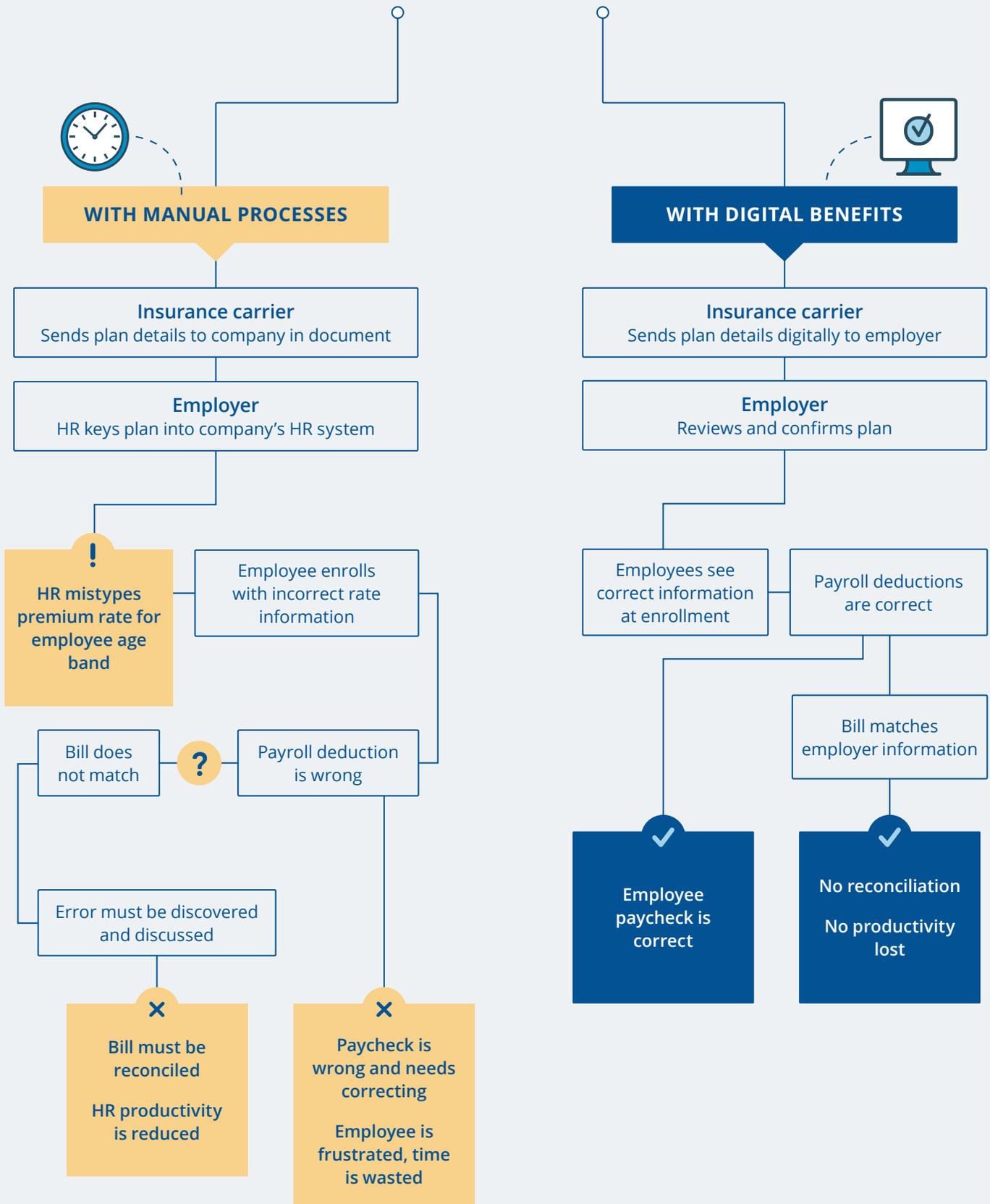


### EASIER BROKER COLLABORATION

Small businesses often depend on their brokers to help get their benefits set up and ready to go. An online portal, with easy account access for both the employer and the broker, makes for simple collaboration without a lot of back-and-forth.

# Anatomy of an error

How one data entry error can mess up an enrollment and hurt the employee experience.





## 2 Enrolling employees

No matter how good a benefit is, if employees don't enroll, it can't do its job, which is to help protect them from the financial consequences of getting sick or hurt.

Manual enrollment processes can be a huge roadblock to participation, and also create enormous headaches for HR. Here's how:

- **Paper forms are an obstacle to enrollment.** Want employees to **not** enroll in benefits? Use a paper form. Paper forms look complex to people, and require writing in a lot of information the company already knows (which is irritating and time consuming). People have a bad habit of putting off less-than-pleasant tasks like filling out forms, and can miss enrollment deadlines.
- **Evidence of insurability (EOI) can stop the process cold.** When employees apply for coverage amounts that require answering medical questions, paper forms can keep them from finishing the process. It's one more step, one more time they have to fill in repetitive information and one more deadline to remember — or forget. And if they do manage to complete the process, mailing it in and waiting for a decision can take weeks.

- **Manual processes are an unnecessary burden on HR.** With manual processes, HR has to keep track of who's enrolled and who hasn't, and send out constant reminders so people get their forms in on time. They also often are responsible for collecting the forms and sending them to the insurer, as well as answering frequent and repetitive questions about coverage that they are not best-equipped to answer.
- **Non-digital processes don't impress employees.** In an era where just about everything else can be done online, using paper forms can make a company look like it's simply not up to speed. Today's employees expect fast and simple ways to choose their benefits.

A small HR department can quickly become swamped with enrollment issues, losing the ability to respond to more important business priorities, and risking dissatisfied employees in the process.



Today's employees expect fast and simple ways to choose their benefits.



## THE DIGITAL DIFFERENCE

With digital benefits, HR can largely sit out of the enrollment process, while employees get the easy, modern experience that can lead to higher participation. This leaves time for HR to add their personal touch, ensuring that employees feel good about the enrollment experience.

- **Simple self-service.** Digital benefits enrollment provides a user-friendly, fast and accurate way for employees to enroll. Employees get an email explaining the enrollment and linking it to the online self-service experience. They just sign in to fill out their application digitally. Information the employer already knows — like name, address, Social Security number — is prepopulated, so employees don't have to waste time. They can indicate dependents and designate beneficiaries for multiple benefits with just a few clicks. They can get prompts to double-check for accuracy, reducing the need to return applications to correct errors, and review and confirm benefit selections, all in one place. Best of all, HR doesn't have to do anything except monitor enrollment results.
- **EOI as part of the process.** In a digital enrollment, when medical information is needed, it can be filled in right along with the rest of the enrollment data. The best experiences provide near-instant decisions, so the employee knows whether their application has been approved or needs more information. HR stays out of it, but sees the results on their own enrollment dashboard.
- **Built-in education.** For benefits programs to work, employees need to clearly understand and easily enroll in the protection that's right for them. A digital experience can have benefit descriptions and coverage advice built right in, so employees can enroll with confidence.
- **Seamless integration.** The best digital enrollment experience is seamlessly integrated, without clunky add-ons, extra sign-ins or the need for a broker to provide a separate platform.
- **Less work and more insight for HR.** The right digital enrollment will be easy to launch based on the information provided during setup. The goal is to make enrollment a "no-hassle" experience for HR, while also giving them better insight into progress to ensure the most effective outcome.

Successful enrollment is the key to an effective benefits strategy. Digital benefits help employees understand, appreciate and avail themselves of the protection the company offers, while freeing up HR time for everything else they've got to do.



## 3 Administering the benefits program

Benefits are only a small part of an HR person's responsibilities. The time spent on managing or administering those benefits should reflect this balance. But that's often not the case with manual benefits administration processes:

- **The one constant? Changing information.** Employees get hired. Employees get fired. They move, change phone numbers, have babies, get promoted. Each of these occasions can make a difference to an employee's benefits. So every time there's a change, someone from HR has to notify the insurance company. Using manual processes, changes might have to be made individually for every benefit the employee has. That's a lot of repetitive data entry, and a lot of opportunities to key in something wrong.
- **Answering benefit questions means searching through physical files.** If Jane Doe wants HR to check whether she has listed Baby Doe as a dependent, because she just can't remember, HR gets to hunt for every policy Jane has, to check that Baby Doe was added. HR thinks there must be a better way.

### THE DIGITAL DIFFERENCE

There is a better way, HR. Manage benefits on a modern, intuitive portal that can hold all benefit information in a single, digital location.

- **Make changes in a snap, across policies.** On a digital portal, benefits are organized around employees, not policies. This means that, with just a few clicks, HR can go in and change Tom's salary after his promotion, and that information will be instantly relayed to the insurer. Change it in one place and it's changed everywhere, across all of Tom's benefits.
- **Answer questions like a boss.** HR can also take a look at employee benefits through whatever lens it needs at a given moment. Need to see Marcia's benefits? Just find Marcia. Need to see how many employees have short term disability? Navigate to that benefit. The power of digitization allows HR to filter, search and organize information to make everyday tasks take less time.
- **Throw those filing cabinets away, already.** The best digital benefits experiences come with a digital documents hub that makes rooting through dusty filing cabinets — full of forms, policies, certificate booklets and disclosure statements — obsolete. Instead, the document hub puts all plan information at HR's fingertips.



The power of digitization makes everyday benefits administration take less time.

## 4 Paying the bill

Paying insurance bills using old-fashioned manual processes is an exercise in frustration.

- **It's never correct.** Because of the time lag between entering changes and sending out invoices, an insurance invoice processed manually and sent through the mail is almost always out of date. What does that mean? It means HR has to reconcile the bill with all the changes made that month, so paychecks will be right and Accounting won't get upset. Repeat every month.
- **It's clunky and time-consuming.** Reviewing, reconciling and paying a separate bill for each line of coverage? Writing a check and mailing it in? Why, in the digital age, would anyone want to do that?

### THE DIGITAL DIFFERENCE

Invoicing and premium payment are one place where digital benefits are a complete no-brainer. With a digital experience, HR can:

- Get email reminders so they never forget a bill
- View and pay a single bill for all their benefits from a carrier, with continually updated information that makes reconciling a thing of the past
- See billing in as much or as little detail as they like
- Easily access historical billing data
- Add or delete bank accounts with just a few clicks
- Pay online, or send a check if they'd prefer
- Get instant payment confirmation so they can complete transactions with confidence

Digital benefits let HR mark bill payment off their list — fast. And the time they save is time they can give back to their employees, providing the expert, personal service that is the hallmark of a great place to work.



Digital benefits let HR mark bill payment off their list — fast.





## 5 Making claims easy for employees

When an employee needs to file an insurance claim, it's not usually at the best of times. Old-fashioned claims processes can leave them feeling stressed, angry and alone — and put HR in the firing line, dealing with their frustration.

- **The runaround.** Employees seldom know what the correct first step is in filing a claim. Do they call HR? The insurance company? Their boss? Is there a form? Is there a phone number? Help! If an employee fails to guess the first step correctly, they end up talking to people who can't answer their questions and being passed around and put on hold until they are really upset.
- **The knowledge gap.** Employees often don't know exactly what coverage they have. So they don't know which claims to file, and can end up missing out on benefits they're eligible for. When they find that out too late, HR better duck.
- **The documentation debacle.** Getting a claim paid can get delayed or derailed if documentation from medical providers isn't submitted on time, to the proper place, with the proper information. That means a round of emails, phone calls, faxing and mailing before the payment process can even get underway.
- **The HR squeeze.** Claims aren't normally HR's job, but when employees are confused and don't know where to turn, HR will be their first call. That can lead to hours of effort trying to calm the employees and get their questions answered.

### THE DIGITAL DIFFERENCE

Technology alone can't provide a reassuring claims experience, but it sure can help. For example:

- **Digital triage.** A simple, user-friendly claims site can be an employee's first stop. There, they can answer a few questions that point them in the right direction, to the right benefits and the right next steps. In the best experiences, they can follow their claim whenever and wherever they are, on computer or mobile device.
- **Simple documentation.** Employees can provide medical documentation easily and quickly, by uploading documents — even smartphone pictures — to the claims site. This can get claims moving in a fraction of the time required using phone calls and emails.
- **Transparency for HR.** HR can have a window into the status of every employee's claim, so they're prepared to help employees with their questions.

Still, the most important thing an employee needs when they are hurt, sick, dealing with grief — or even dealing with the joy and uncertainty of a pregnancy — is empathy. That's why the best digital experiences include **live help**, built right into the experience so employees can always get that human touch when they need it.



**Technology alone can't provide a reassuring claims experience, but it sure can help.**



## Integration matters for small businesses

The easiest small-business benefits experience comes through a single digital benefits platform that covers benefits end to end.

A single platform eliminates the confusion and clutter created by multiple sign-ons, passwords, interfaces, contacts and so on, which are the enemy of simplicity and the nemesis of time savings. Integration on a single platform also ensures that information is consistent and easily modified across employees and benefits.

If a single solution isn't practical, it's critical for any digital benefits experience to work easily with benefits administration solutions or platforms the company is already using.

## Conclusion

# Making the digital dream a reality for small business

Our [survey of small businesses](#) showed a mixed bag of reliance on HR technology, with 22% still relying primarily on manual processes and only 25% relying heavily on technology. And with the distractions and economic hardships of the pandemic, only about a third are planning to invest in any new HR technology this year.

The good news is that the ease and convenience of digital benefits are readily available to small businesses offering Unum coverage. With multiple online plan-administration options, you can get the specific experience that's right for your plan and your company. Reach out to learn how you can give HR and employees the end-to-end digital benefits experience, at no extra cost.



# 22%

**of small business still rely heavily on manual HR processes**

Unum survey of small businesses, 2020.

[Contact us today](#) to learn how we combine the latest in HR technology innovations with responsive, empathetic service, to take work off your hands while supporting your employees.



**Better benefits  
at work.™**

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