

Integrating benefits: A game changer for Workday® users

How Unum HR Connect enhances the productivity of Workday Human Capital Management



Introduction

Picture this: You go online to your favorite hotel website to book a room for your vacation. The site takes your information and says it will let you know whether a room is available ... in a couple of weeks.

We wouldn't accept that lag time from a hotel site, but that's pretty much the situation HR departments have faced when dealing with employee benefit companies.

Throughout the employee benefits administration process, the exchange of information between employers and insurance companies provides nothing like the instant, accurate results we are used to everywhere else, here in the digital age.

But that's just begun to change.

Long in use in other industries, application programming interface (API) technology promises to do for the insurance business what it's done for other sectors of the economy. Unum HR Connect, a first-in-the-industry suite of API connections, integrates benefits administration with an employer's Workday system, for quick, easy, seamless and secure information exchange.

As a leader in developing API-based solutions for the HR technology market, Workday was a clear choice for Unum as an innovation partner for developing approaches to integrated benefits. Today, when employers use HR Connect to integrate their Unum benefits into Workday, the result is a game-changing experience for HR leaders and staff.

Not only does it mean time savings and productivity increases in such areas as leave and absence management, evidence of insurability (EOI) and billing, it helps companies make the most of their Workday investment.



When employees call in to initiate a leave it's real time and it's instantly visible on our system for our managers and myself. Other things such as life insurance and evidence of insurability are integrated right into our system.

— Michelle Murray
Manager of Benefits, CSI



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How did we get here?

A short history of benefits administration and technology

The digital revolution of the 1980s and 1990s made everything easier, including benefits administration. Goodbye, paper documents, mail and fax — hello, digital document storage and email. From that time until now, many industries have reaped the benefits of ever-changing and improving digital technology to make operations faster, better and more efficient.

But the benefits industry has lagged behind. Many insurers still rely on outdated technologies such as electronic data interchange (EDI) files. EDIs are basically electronic spreadsheets that customers fill out and send to their insurance carriers, with information that influences who is covered, how much premium is owed and how absences are tracked and managed (see graphic, “HR Connect: The missing link”). This legacy technology has major advantages over paper processing, but still has two main drawbacks:

The files require a lot of redundant, error-prone, manual data entry when transferring information from one system into another.

There is still a big time lag, meaning changes do not take place in real time, with many time-consuming repercussions.

Meanwhile, other industries were moving forward with API-enabled communication. Instead of sending data from one organization to another for entry into both of their systems, APIs enabled the two systems to actually connect, so that changes made in one system or data set could be automatically and immediately reflected in a corresponding system or data set. It sounds simple, but it actually requires enormous investments of time and money to write the code that allows complex systems to talk to each other securely in real time.

Giant tech companies like Google® and Salesforce® now use APIs to deliver faster, easier experiences for their customers. Likewise, Workday has built a global ecosystem of application, content and technology software companies that are building and deploying solution extensions to the Workday system. With HR Connect, Unum has become the first carrier selling ancillary benefits like disability, life and supplemental health to provide API connections for Workday customers.



HR Connect API technology is helping Workday users save time, reduce administrative headaches, and work more efficiently. It's changing the way benefits get done.



HR Connect: The missing link

HR Connect is a suite of API-enabled connections that transfer information between Unum and Workday users easily and in real time.



Employer's Workday system

Employee information

- Address/contact information/age
- Class or group
- Pay
- Hiring date
- Dependents
- Coverage elections

Changes during the billing month

- New employees
- Newly covered employees
- Terminated employees
- Dependent changes
- Salary/class changes
- Employee address/contact information changes
- Coverage adds or drops

HR Connect

- Automatically sends **leave and absence information** from Unum to employer, replacing manual data entry and facilitating real-time absence tracking
- Automatically requests **evidence of insurability** from employees when needed and provides quick coverage decisions, doing away with paper forms and long wait times
- Automates today's manual **billing** process — removing the need to pull reports from Workday and reconcile bills every month

Unum's benefits platform

Leave and absence

- Leave requests
- Leave approvals
- Leave extensions
- Actual return-to-work dates

Evidence of insurability

- Online EOI applications
- Immediate coverage decisions

Billing

- Monthly premium based on employees covered
- Billing history, including payments and adjustments

Leave and absence management

HR Connect eliminates manual data entry for leaves and absences, and allows for real-time tracking



The old world: Manual data entry for multiple employees and process points

When an employer decides to outsource leave administration to an insurance carrier, the carrier typically handles the complex process of intake, eligibility determination, compliance and approval of an employee's leave request — all of which must be in accordance with federal regulations and state laws, as well as company policies.

Employees typically interact with the carrier, which then relays to the employer information about who's on leave, why they're on leave, and when they'll return to work.

Before APIs, information was normally conveyed to the employer through emails and periodic reports. This process typically resulted in vast amounts of manual data entry for HR. HR would need to go into its system and make an entry every time an employee requested leave, every time leave went into approved status, every time a return-to-work date was set, every time that date changed, and then when the leave was actually over and the employee returned to work.

The lack of a systematic process left the door open for errors. And when you consider that a larger organization can have dozens or even hundreds of employees on leave at any given time, the magnitude of the effort becomes clear.

Some organizations used EDI files as a way to partially automate the process. Yet setting up one of these files was expensive and the updates were generally at least a day old by the time the employer received the file from the carrier. Without the ability to analyze the organization's employee-absence status in real time, everything became more difficult, from planning for staffing to budgeting for payroll.



The Unum Total Leave solution through HR Connect automates our process because that direct connection allows those updates to happen in real time. As soon as an employee's leave is initiated, I can see it in the system, and we've enabled our system to allow managers to see that as well.

— Michelle Murray
Manager of Benefits, CSI



HR Connect: Automatic updates and real-time tracking

HR Connect automates the leave/absence process to eliminate manual effort and remove delays. Here's how the process works, when Unum is the leave and absence administrator for an employer using Workday:

1. An employee notifies Unum that they are requesting leave. Maybe they're having a baby and they're requesting Family and Medical Leave Act (FMLA) time for bonding. Maybe they're going out on disability leave due to an injury. Notification is entered into Unum's system and is instantly reflected in the employer's Workday system. Managers know leave is coming up and can plan for staffing changes.
2. Unum applies the company's leave policies and applicable laws to review the leave request. It decides whether the request is approved or denied. This decision is entered into Unum's system, and the employer's Workday system gets the news immediately. The decision also comes with an estimated date the employee will be back at work.
3. The employee goes on leave. If the leave date has changed from the initial approved request, this fact is automatically relayed to the employer's system, so they can make quick changes to payroll, building access, etc.
4. Over time, the return-to-work date can change. Maybe the baby's due date turns out to be later than first thought. Maybe a seriously ill employee is not recovering as quickly as predicted. Unum is constantly in contact with the employee and learns of these changes promptly. The new information is entered into Unum's system and reflected in the employer's Workday system in real time.
5. The employee's leave is over and the employee comes back to work. This information is automatically recorded in Workday, which can also automatically trigger resumption of payroll, building access, etc.
6. Throughout this process, the employer has a clear view of leave at both the organizational and the individual level, without the burden of continual manual updating.

**Not sure where to start with FMLA?
Get our guide for insights.**

[Download Now](#)



Some customers find that HR Connect cuts time spent managing absences by as much as



Source: Unum internal data, 2023.

Julie's absence

MANUAL PROCESSES

VS.

UNUM HR CONNECT

HR gets email from outsourced leave manager/insurance carrier

HR manually enters into Workday:

- Request
- Approval
- Date leave to begin

HR does the same for the 7 other people with leave notifications for the day



Julie requests maternity leave



HR Connect **transfers** information from Unum to employer's Workday system **automatically** in real time



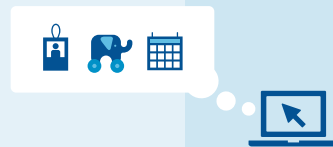
HR gets email from carrier

HR manually enters into Workday:

- New leave start date
- New return-to-work date

HR also manually:

- Notifies Julie's manager
- Alerts facilities/security to change building access
- Notifies payroll of status change



Julie has baby 7 days early



Information is **automatically** updated in the Workday Absence module

Automatic notifications to payroll, facilities/security, Julie's manager



Carrier sends emails to employer whenever Julie's information changes
HR updates Workday manually to keep systems up to date



Julie takes 6 weeks STD maternity leave and 12 weeks FMLA bonding leave



Unum gets regular updates from Julie

Information is **automatically** reflected in employer's Workday system, in real time

Julie returns to work



Automatic notifications to payroll, facilities/security Julie's manager

TIME-CONSUMING, REPETITIVE TASKS

Illustrative examples only.

STREAMLINED, EASY LEAVE EXPERIENCE

Enrollment

Unum HR Connect automatically syncs information and keeps enrollment up to date



The old world: Redundancy and delay

Benefits enrollment has typically been an inefficient and slow process.

Employees enroll, often using paper forms, and HR must enter the enrollment and any elections into two separate systems: the employer's HR system and the carrier's benefits administration system.

Every time a new employee joins the company, or changes dependents, or gets a raise, HR has to type all that information twice into separate systems to keep them in sync. Mistakes inevitably happen, with repercussions for billing and claims.

Using EDI files has its own problems. In this case, the employer gathers all the information from an enrollment and sends it in a file to the carrier. The carrier processes that file, and then the benefits are ready for administration.

However, enrollment data is frequently difficult to sync between systems. So errors happen, and time passes while both parties identify where things went wrong. With a nonstandard process for each employer, it can take months to create the files needed to manage an employer's benefits package.

In the meantime, people enrolled in the benefits start using them. The coverage is technically in effect, but the carrier's and employer's systems don't yet know exactly who is active.

For example, an employee who enrolled in dental benefits on December 1 might go to the dentist on January 3. Because the enrollment files are still being processed, however, that employee doesn't yet have a dental ID card — and has to pay out of pocket when they did not expect to.

Or, even worse, a life insurance beneficiary might call to make a claim after a recently enrolled employee passes away, only to be told their coverage is not on file. In addition to the obvious beneficiary distress, HR may have to expend hours of time and effort resolving issues and complaints.



HR Connect: Real-time sync

HR Connect solves the problems of data inconsistency and lag time.

When HR enters enrollment data into the company's Workday HCM system, it is sent to Unum and reflected in Unum's system in real time, in the correct format. When an employee enrolls, changes addresses, or experiences a life event that could impact their coverage, Unum receives that information automatically with no additional steps required for the employee or HR.

Real-time exchange of information means both systems know who is covered, for what and when. Employee ID cards can go out as soon as Unum receives the information.

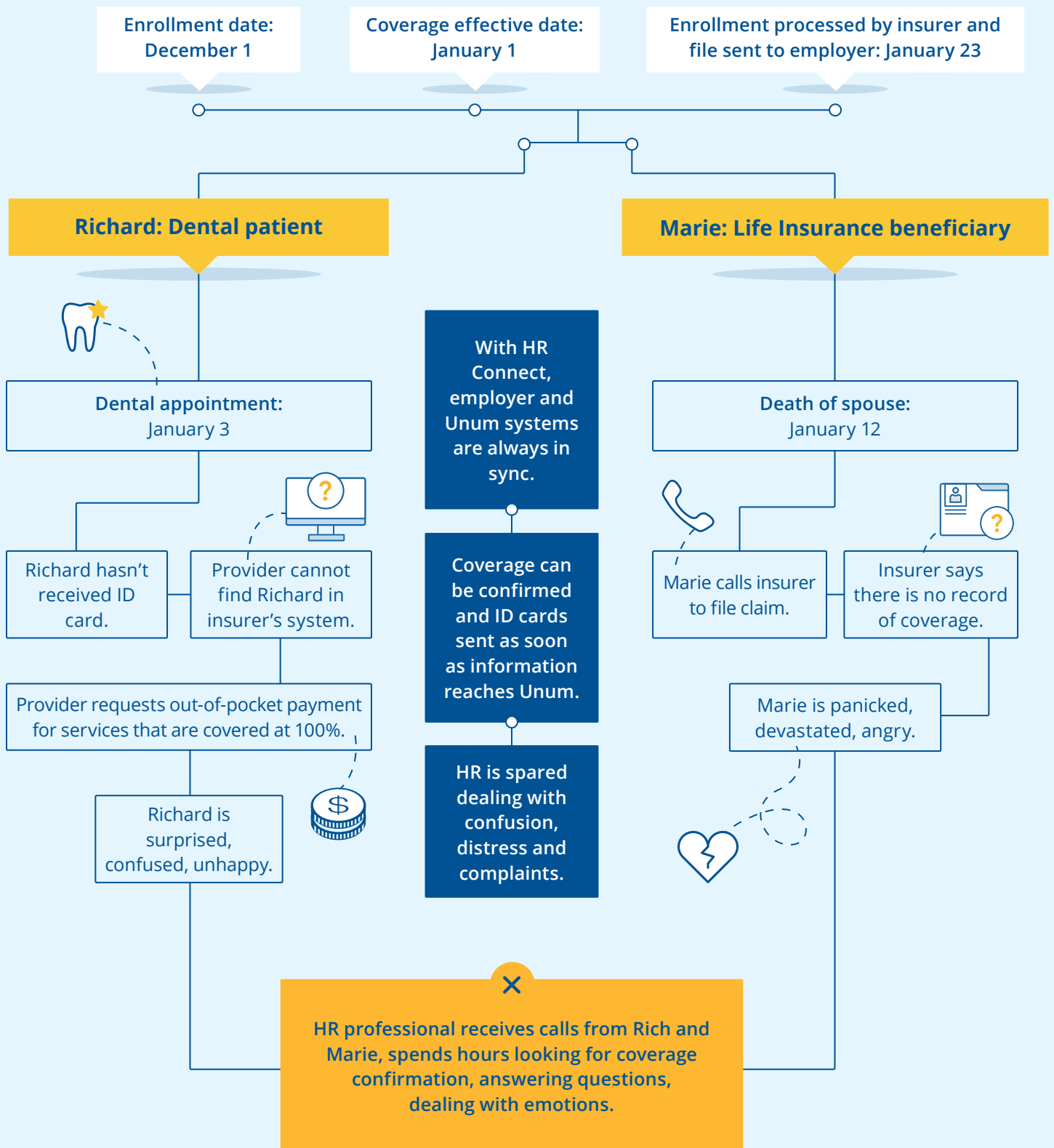
Employees can use their benefits with confidence, and HR can spend less time troubleshooting and answering questions. And the improved accuracy has major downstream effects on billing.



There's no paper pushing for our employees. HR Connect automates our process because that direct connection allows updates to happen in real time."

— Michelle Murray
Manager of Benefits, CSI

Real-life consequences of enrollment time lags



Evidence of insurability

Unum HR Connect takes this once burdensome task off the HR department's plate



The old world: Chasing paper and playing the waiting game

For many benefits, like life insurance and critical illness coverage, employees can apply for a standard coverage amount without having to answer health questions. But if they want to apply for more coverage — an extra \$50,000 life insurance benefit, for example — they may need to provide health information, also known as evidence of insurability (EOI).

This step in the application process can be onerous for HR professionals. Even today, it can involve determining who needs to provide EOI, passing out paper forms, checking to see who's returned the paper form, reminding applicants to return their forms, repeating the checking/reminding steps a few times, sending the paper forms to the insurance carrier and then waiting weeks or even months to hear whether employees were approved.

Clearly, this can turn into a time sink for HR, especially in large companies with a lot of employees needing to provide EOI. The delay in receiving paper forms coupled with the inconvenience of filling out and returning them also deters many employees from following through with their applications and getting the coverage they want.

Finally, since premiums depend on the amount of requested coverage, not knowing who has been approved for what level of coverage — and for what effective date — makes it difficult for HR to keep enrollment data, payroll and billing up to date and in sync with the carrier's records.



HR Connect: A quick, easy process that HR doesn't have to oversee

HR Connect keeps HR from being the EOI intermediary. When an employee requests EOI-level coverage, HR Connect automatically recognizes the need for answers to health questions. Employees are notified in Workday that they need to provide EOI, and then complete their applications online, without ever having to deal with a paper form. Since Unum's benefits are integrated into the Workday system, the employee only needs to answer the medical questions, without having to fill in repetitive information like name, address or coverage requested.

With HR Connect, most applicants will receive immediate approval or denial decisions. And those decisions are then automatically communicated to Workday, keeping everything in sync for payroll, billing and claims. The ease and immediacy of the process help employees finish their applications, so they can receive the coverage levels they want.



Having the integration with Unum with HR Connect really does increase the number of individuals that complete those evidence of insurability forms. Before, I would send out paper applications and employees didn't necessarily follow through. Now I see closer to 80% to 90% completing those evidence of insurability forms."

— Michelle Murray
Manager of Benefits, CSI



What about security?

Security is our top priority. We use industry-leading security and data-management practices, so your private, confidential information stays safe and secure.

Billing

HR Connect eliminates errors, ensures accuracy and includes more information in billing details



The old world: Time lag and frustration

In the best of situations, EDI files are sent to the carrier once a week (often they are sent monthly or biweekly). It's HR's responsibility to go into its system, extract the necessary information and enter it into the necessary places. These files are used to create the company's bill.

But think of what can happen in just one week. New employees can be hired. Employees can leave the company. Babies can be born. Adult children can age out of coverage. People can decide to drop coverage, or add it if they have qualifying life events, like the loss of a spouse's coverage.

The carrier uses its most current information to create that month's bill. But since the information is typically out of date, the bill will not be accurate. Bills are often mailed, making them even more out of date when they arrive.

To keep the company's accounting precise, HR must reconcile the bill with up-to-date information from its own system, costing the department hours of valuable time. Pretty much every month.



HR Connect: A vastly improved experience

HR Connect's API-enabled connections do away with this critical lag time.

With HR Connect, pulling enrollment reports out of Workday is a thing of the past. Instead, data is gathered directly from Workday.

No more errors, no more reconciling — employers just review their bill and quickly pay online, the same as with any other transaction in the digital age.

In addition, HR Connect makes it easier for customers to filter and view bills in ways that work for them, and to see billing and payment history — important for accounting.

With HR Connect, HR saves hours of time, effort and frustration — and the department can focus on more important things.



I almost feel like we don't even have to think about billing when it comes to Unum, because of the way that HR Connect works for us."

— Emily Phelps, Senior HR Analyst
Booster

HR Connect eliminates up to



of common errors that can occur without automation.

Source: Unum internal data, 2023.

Conclusion

Consider your Workday investment — and your costs

Employers have invested tens of thousands of dollars in Workday for one simple reason: to make it easier to run their business, now and as they meet the challenges of the future. Integrating benefits with Workday and streamlining key benefits administration processes is another way to help make that investment pay off.

Ancillary benefits are a small part of an HR person's responsibilities. But when outdated or even manual procedures are in use, benefits can take up a disproportionate amount of that person's time.

To understand the potential gains from HR Connect, do a productivity audit. How much time and resources are being spent on chasing EOI forms, reconciling bills and managing absences in your organization?

Understand where you are today. That way, you can convince leadership when you need to switch to a benefits provider that can change the way your benefits get done.



HR Connect is a direct connection between the Unum system and our platform, which saves me time because billing is integrated. It used to take me a couple of hours to prepare the spreadsheets, create the bill and put it into my old administrator's system. Now I just run the report and what used to take me hours literally takes me a couple of minutes in the new system.

— Michelle Murray
Manager of Benefits, CSI

About Unum

At Unum, we help the working world thrive throughout life's moments. We help millions of people gain affordable access to disability, life, accident, critical illness, dental and vision benefits through the workplace — benefits that help them protect their families, their finances and their futures.

About HR Connect

Unum HR Connect is a suite of API-enabled connections that directly sync benefits and leave administration with your Workday system, eliminating common errors and saving HR professionals hours of valuable time every month.

By replacing manual, file-driven processes with automated, real-time information sharing, HR Connect simplifies administration and delivers a better benefits experience.



Get a free demo of HR Connect
for Workday today



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