Knowledge of Disability Insurance Claims Process Is Important to Your Organization



Understanding your organizations disability insurance claims process could save time, aggravation and money

The disability claims process can be an odious one for both you and your employee. Administration involves many details, delays, and deadlines requiring clear and ongoing communications. It is important for all parties to do what they can to ensure the process goes smoothly and all the information is properly communicated in a timely manner. It is also important that your organization ensure your employees understand all of their options and are able to navigate through the process. Although you may not administer the claims process yourself, you, and not your insurance provider, can be held accountable for errors.

We recently asked HR Insider readers about your knowledge of the disability insurance claims process.

Rate Your Knowledge and Understanding of Disability Insurance Claims Processes and Organizational Responsibilities

1. **Yikes! – very limited knowledge**
2. **I know something – just below average knowledge**
3. **Okay, I guess – average knowledge**
4. **I hold my own – good knowledge**
5. **I'm Good – excellent knowledge**

Your responses indicated a split in how comfortable you are with the process. Over 60% of HRInsider readers felt their knowledge was below average. The remaining 40% felt their knowledge was above average.

According to the Canadian Life and Health Insurance Association Inc., in 2012,the total premiums and premium equivalents rose by 2.8 percent (to 83.3 billion) and premiums for supplementary health and disability products insurance rose 4.6 percent (to 30.9 billion). Insurance costs will continue to rise, and as the population ages and more individuals with disabilities enter and reenter the workforce, knowledge of the process remains important.

Your Employee = Your Responsibility

Large organizations often have more than one staff member dedicated to disability insurance administration and case management. However, not all organizations have the staffing resources to dedicate even one individual HR professional to this task. While insurance providers may offer guidebooks, videos, webinars and consultants to help you navigate the process, it can still be an arduous task to gain and maintain up-to-date knowledge.

It is important to understand that ultimately, your organization is responsible for taking care of members of your workforce, even if they are awaiting a decision about their insurance eligibility. Organizations face liabilities as a result of a failure to properly manage or facilitate the benefit processes. If employees are misinformed or confused, it may be you and not the insurer who could be on the hook for benefits owed the employee. For example, if your organization has provided the employee with information on the process of filing a disability application, and that information is not up-to-date, and as a result, the employee fails to complete all information you may find that you have to pay the difference between what he receives and he was entitled to.

If you are among the majority of readers take the time to constantly upgrade your knowledge disability insurance claims and if you have an employee in the process maintain open lines of communications with your employee and the insurance provider.

Resources

Canadian Life and Health Insurance Association Inc.

Not Returning To Work After a Failed Disability Claim Is Abandonment?