A Tale of Two Systems…

Mark Daley – Daley & Associates, LLC
Aashish Jain – Capgemini
Jim DuEst – TriPlus Services, Inc.
Types of Workflow

• **System-Oriented Workflow**
  – Generally involve computer systems that control and coordinate software tasks typically without human intervention
  – Policy administration systems (PAS) typically provide for system-oriented workflow

• **Human-Oriented Workflow**
  – Typically involve control and coordination of human tasks

• **Today’s session involves a combination of both** – the coordinated execution of multiple tasks that generally involve humans which selectively require access to transactional computer systems
  – Business Process Management and Modeling would generally fit this description

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Workflow Evolution

• Henry Ford brings the concept of assembly lines and specialization of activities to car manufacturing in 1913
  – Reduced the production time for a Model T to 93 minutes

• Unfortunately, this concept is often applied to insurance without success
  – The products are not necessarily standardized as to each policyholder
  – State regulations defy this “one size fits all” treatment
  – Paper applications come to a home office from multiple locations
Digitization

- How do you create a digitized application that can be shared across people and geographies? → Distributed Processing

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Workflow Evolution (continued)

- Move application data capture closer to the point-of-service (POS)

- Creates digital record that can be shared across the organization, regardless of location, without transformation

- Key system vendors in this space include:
  - IBM
  - Lexmark
  - OPEN TEXT
  - ORACLE
  - Pega
  - SAP
Why use workflow or BPM software tools?

- **Cost reduction**
  - Reduce manual intervention
  - Enable remote processing in lower cost geographies
  - Best use of high value FTEs
  - Saves time and prevents decision-making bottlenecks

- **Quality**
  - Consistent results
  - Interpretation of benefits
  - Retains operational knowledge
  - Tighter connections with customers/suppliers

- **Speed to issue/resolution**
  - Reduce not taken rates
  - Rules based resolution of claims

- **Compliance**
  - PHI
  - Avoid late claim payment penalties
Operational Impacts of Workflow

Are you able to:

• Come in each day on the operations floor knowing what needs to be worked upon?
• Oversee teams’ work and track team productivity on the floor?
• Distribute and assign incoming work to your teams on a daily basis?
• Report service levels to business leadership on the operations?
QUESTION #1

Do you have a dedicated workflow system?

- Yes
- No
QUESTION #1

• DISPLAY AUDIENCE POLLING RESULTS HERE
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Evolution of IT Application Eco-Systems

1960 - 1970s
- Application
- OS

1980s
- Application
- DBMS
- OS

1990s
- Application
- DBMS
- OS
- UI

2000s
- Application
- DBMS
- OS
- UI
- Workflow

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Where does a Workflow Platform fit?

A Typical Insurance Organization’s focus

- Core Admin Platforms
- Reporting, Interfaces, Portals, Workflow
- Analytics, Mobile Apps

Service Enablement

Service Management

Service Processing

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Do you need a dedicated workflow system or is there another approach?
Sample Claims Workflow

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QUESTION #2

During the course of day-to-day operations, which of the following capabilities best describes your biggest struggle with Workflow?

• Ownership & Traceability
  – Accountability for task completion and ability to easily track progress

• Collaboration between Departments
  – Ability to seamlessly interact with stakeholders throughout the workflow process, regardless of location

• Productivity Management (Manager’s View)
  – Ability to evaluate productivity and identify bottlenecks, creating better resource management

• Service Level Management
  – Easy access to useful information → proactive SLA management
QUESTION #2

• DISPLAY AUDIENCE POLLING RESULTS HERE
Ownership & Traceability

- Who really “owns” the Claim?
- Who knows what’s going on?
- Who is accountable for end stakeholder communication?

Claim Intake

Claims Support

Eligibility Specialist

Care Manager

Claims Examiner

Policyholder
Interdepartmental Dependency

- Death event should trigger closure of claim
- Premium Waiver event
- Complaint / Escalation to Compliance

Claims Management team

Policy Administration team
Productivity & Issue Management

- Provides a window for team leaders and management to track progress
- Automated decisions can be made by the workflow based on business rules
- Create efficiencies by modifying the order of steps
  - E.g. Allowing steps to run simultaneously
Service Level Management

- Ability to reference dashboard views/generate reports that allow proactive management to SLAs
- Provide alerts on tasks that are close to missing an SLA
The Future of Workflow

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Decision Making Spectrum

Structured

Structured with ad hoc exceptions

Dynamic

Routine Work → Knowledge Work
The need for Dynamic Workflow Management

Structured Predictable Process
- Straight-through processing
- Process is essentially fixed
- Adjusted by business rules

Unstructured Processes
- User driven “Case” management
- Will require following up on various clues, down various paths, which are not predictable beforehand
- There are various tests and procedures to use, but they will be called only when needed
Workflow as a CRM

Customer Management

Customer Contact Management
• Track all incoming calls from Policy Holders or their representative
• Track all outgoing calls to Policy Holder or their representative from any functional area
• Track operations carried out directly by Policy Holder through the Customer Portal

Policy Holder Overview and History
• View all policies associated to each Policy Holder
• View policy and claim information required for Contact Center inquiries
• Track and view of all work associated to the Policy whether complete or pending completion
• View all documents, received or sent associated with the Policy Holder
How can we add automation?
Sample Claims Workflow

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