

Claims & Underwriting

A Tale of Two Systems...

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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

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

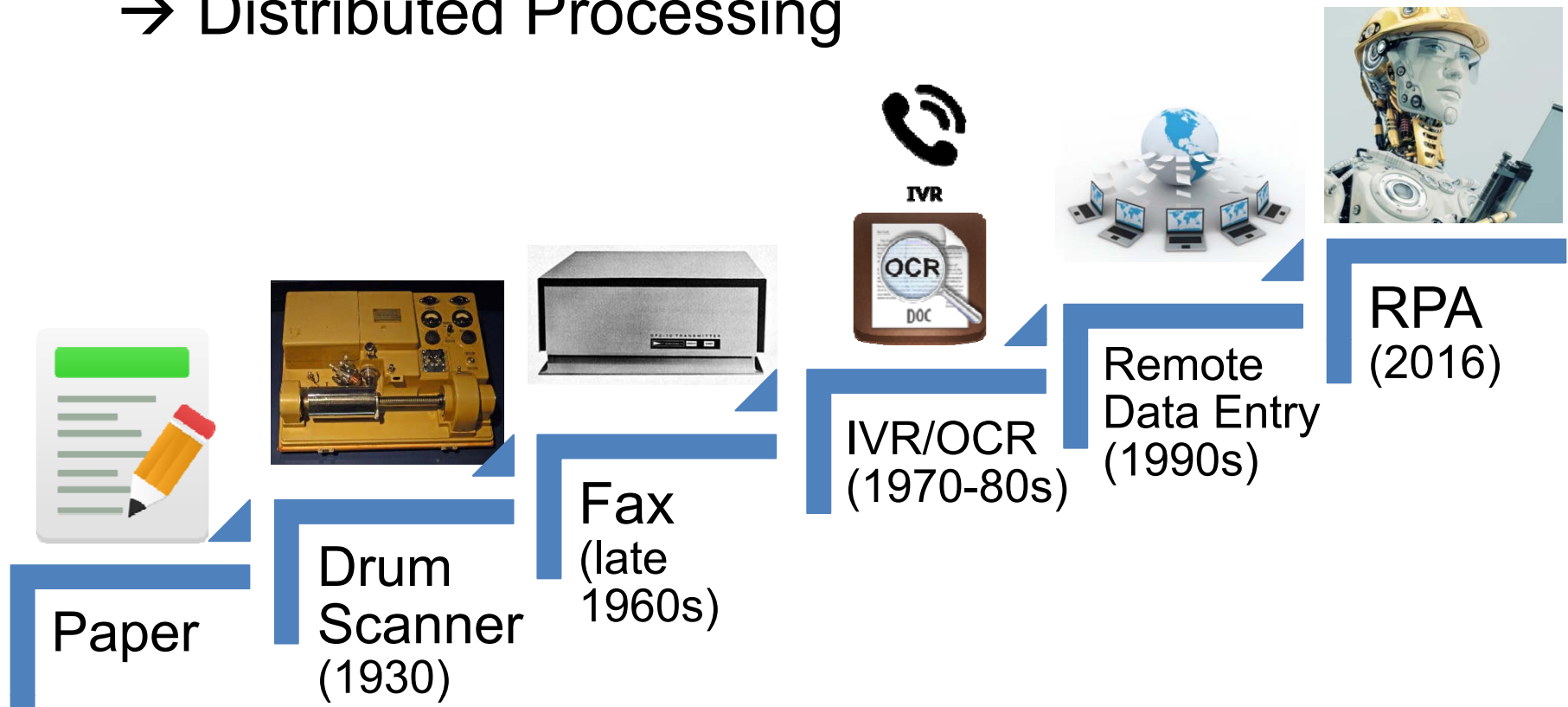


- Unfortunately, this concept is often applied to insurance without success
 - The products are not necessarily standardized as to each policyholder
 - State regulations defy this “one size fits all” treatment
 - Paper applications come to a home office from multiple locations

Digitization



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



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:



OPEN TEXT



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



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



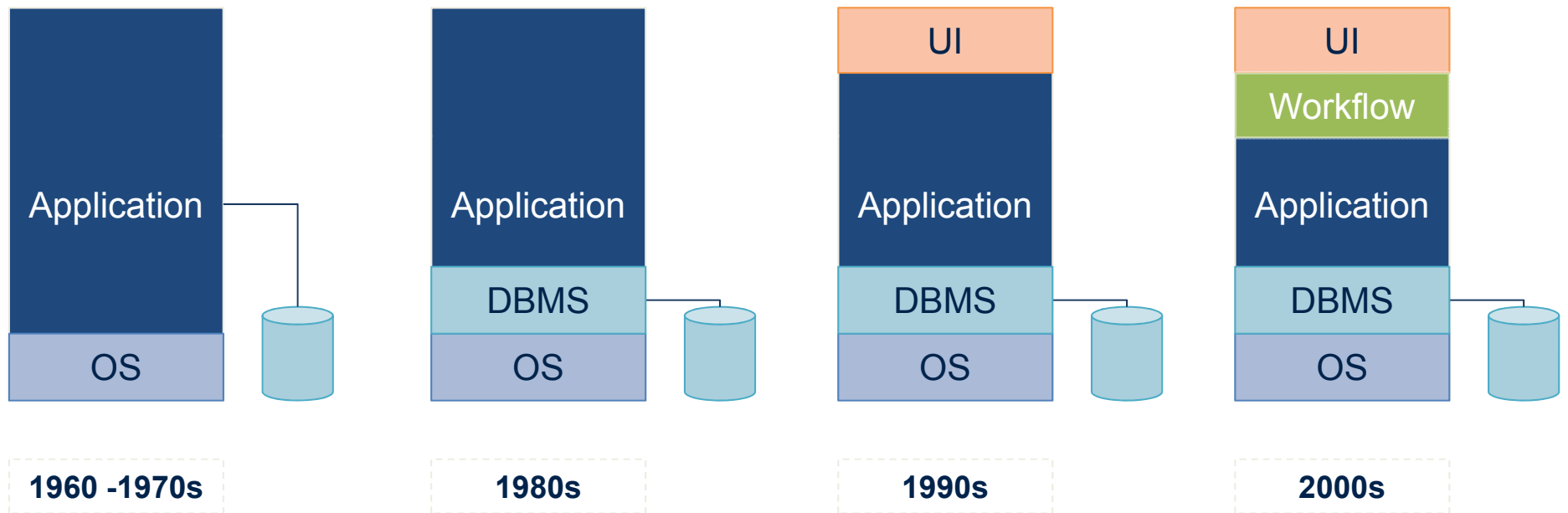
- DISPLAY AUDIENCE POLLING RESULTS HERE



WORKFLOW

OUTPUT
COMPONENTS
DOCUMENT
PROCESS
SEQUENCE
SERIES
OPERATIONS
BLOCK
CONNECTED
SUBSEQUENT
TASKS
SYSTEM
STEPS
RESEARCH
MONITORING
CONCEPT
SCHEDULING
MANAGEMENT
MECHANISM
ABSTRACTION
FLOW CONTROL
PLANNING
INPUT

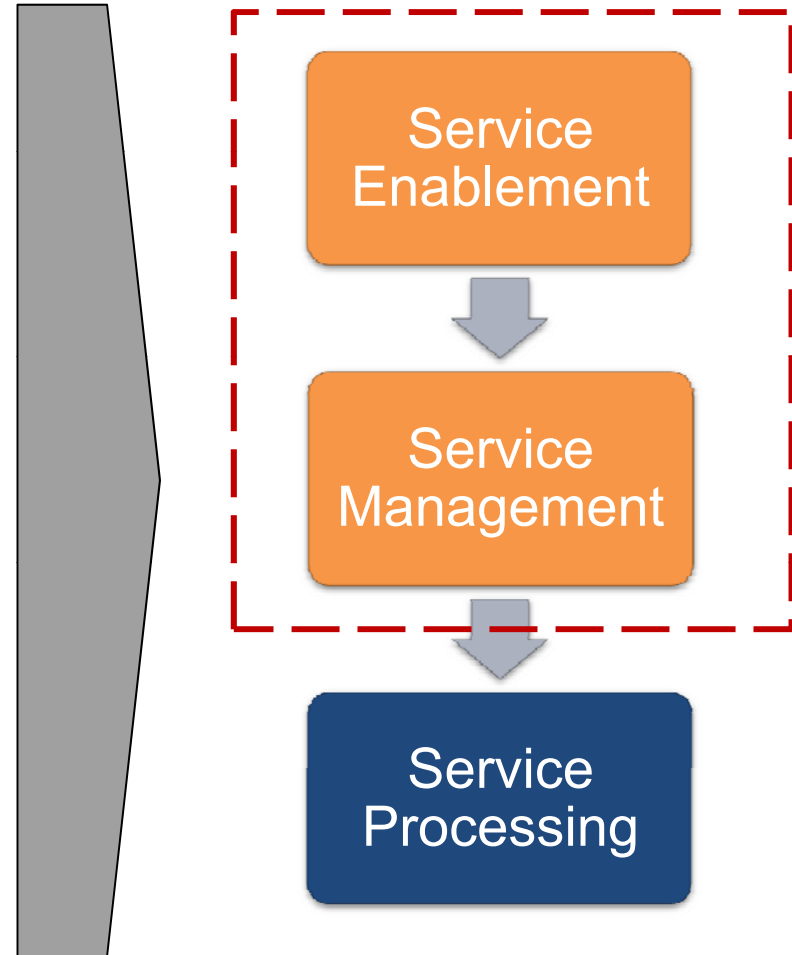
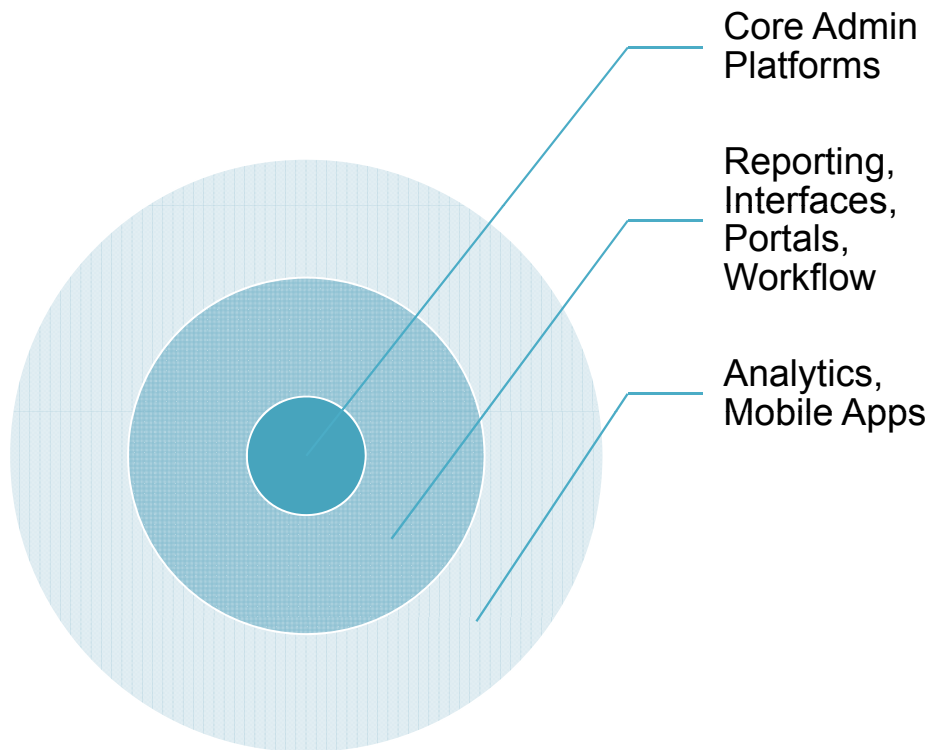
Evolution of IT Application Eco-Systems



Where does a Workflow Platform fit?



A Typical Insurance Organization's focus



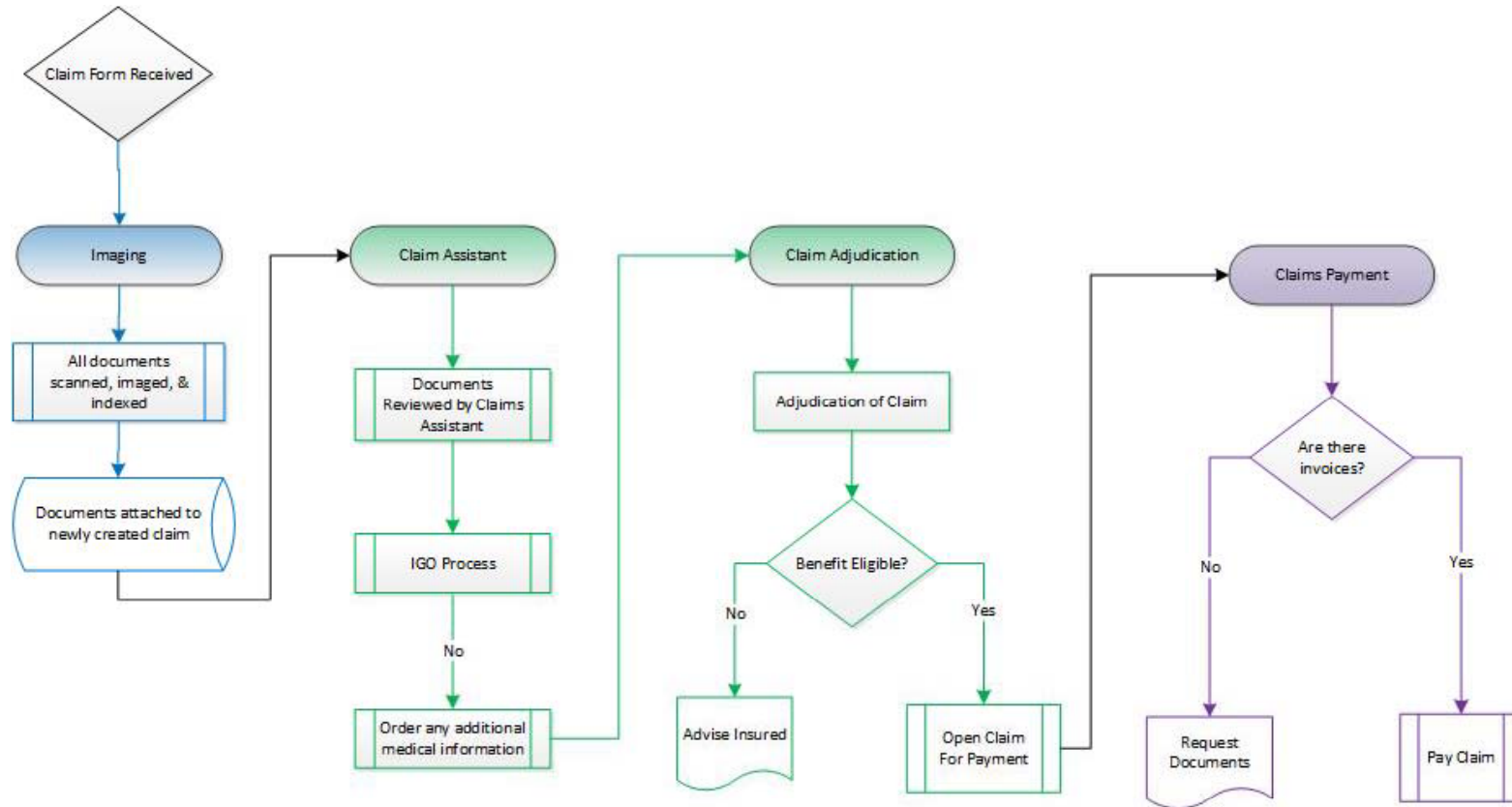
Do you need a dedicated workflow system or is there another approach?



A Hybrid Approach



Sample Claims Workflow



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

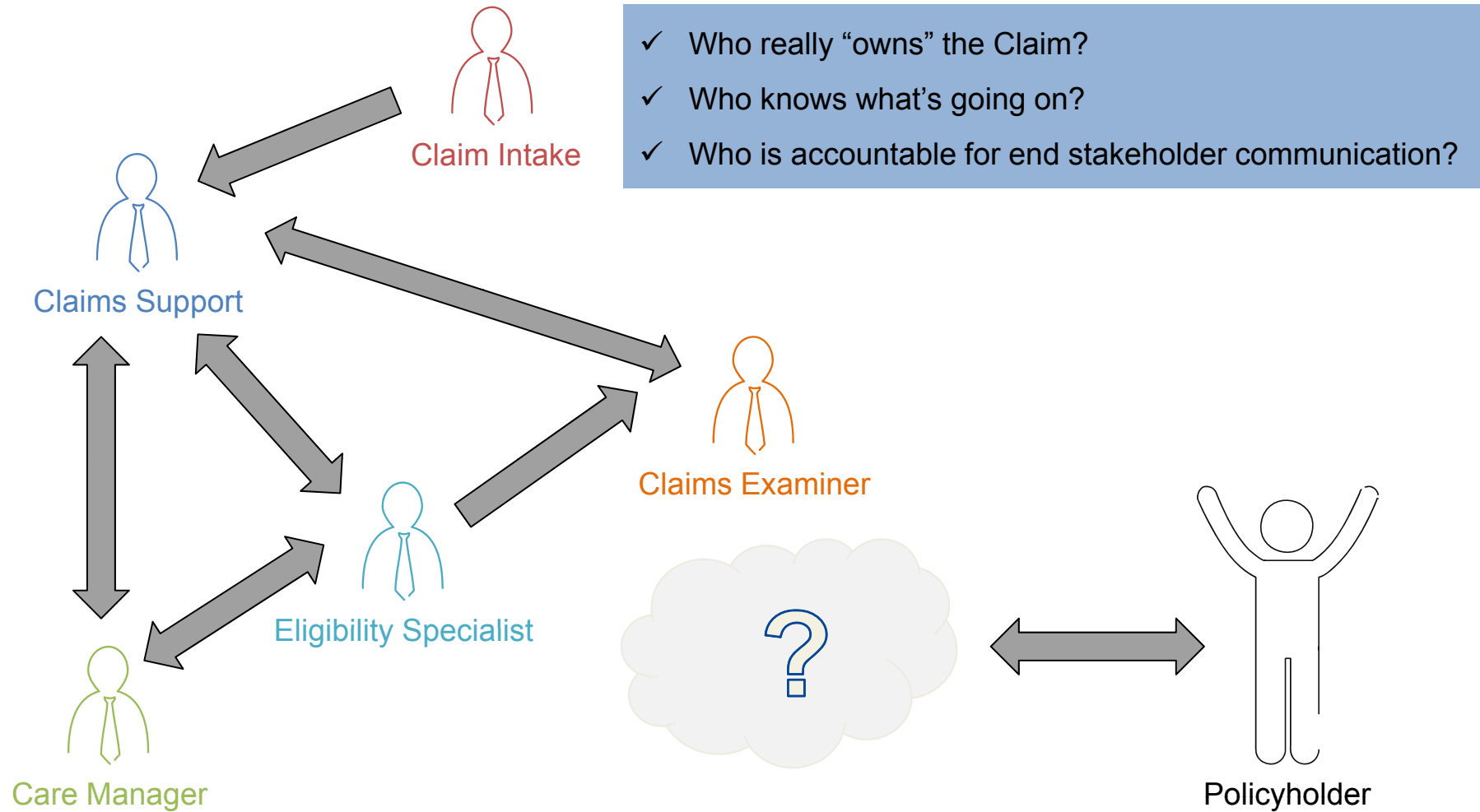
QUESTION #2



- DISPLAY AUDIENCE POLLING RESULTS HERE



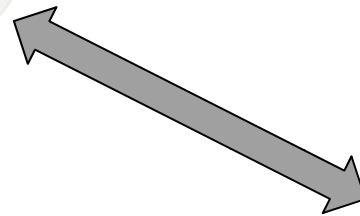
Ownership & Traceability



Interdepartmental Dependency



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





- 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

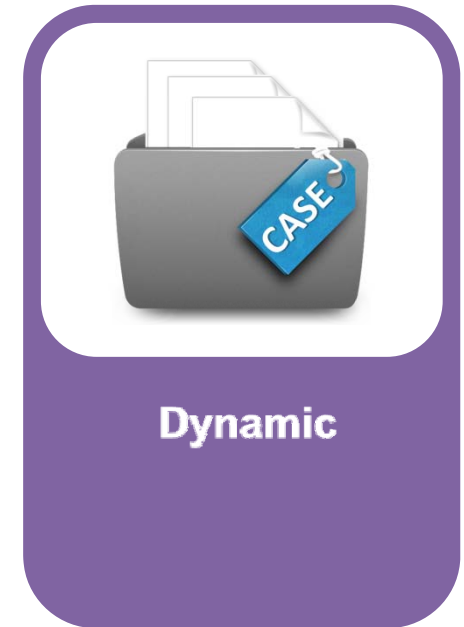
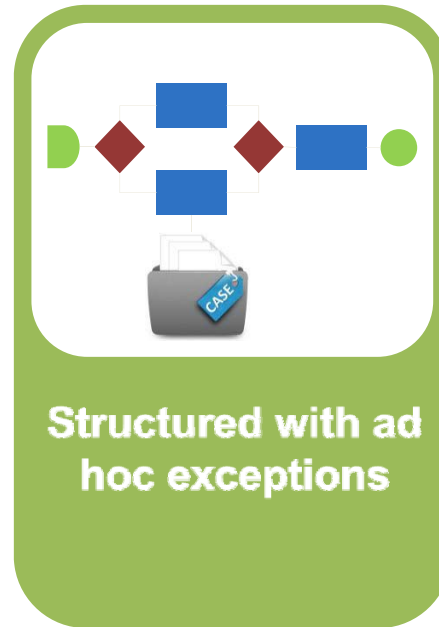
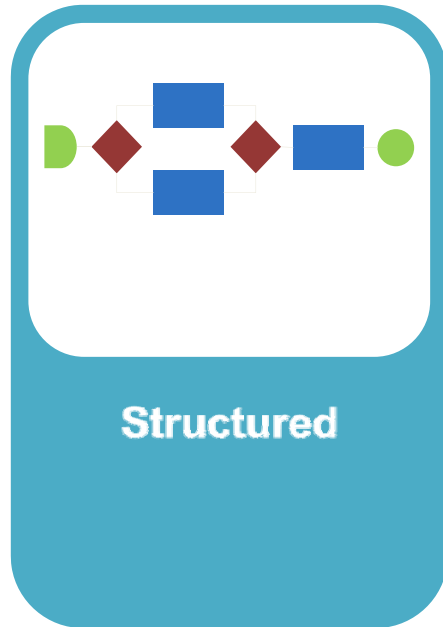


- Ability to reference dashboard views/generate reports that allow proactive management to SLAs
- Provide alerts on tasks that are close to missing an SLA

The Future of Workflow



Decision Making Spectrum



Routine Work

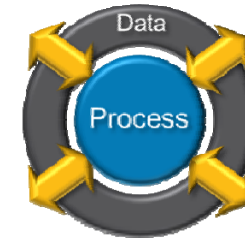


Knowledge Work

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

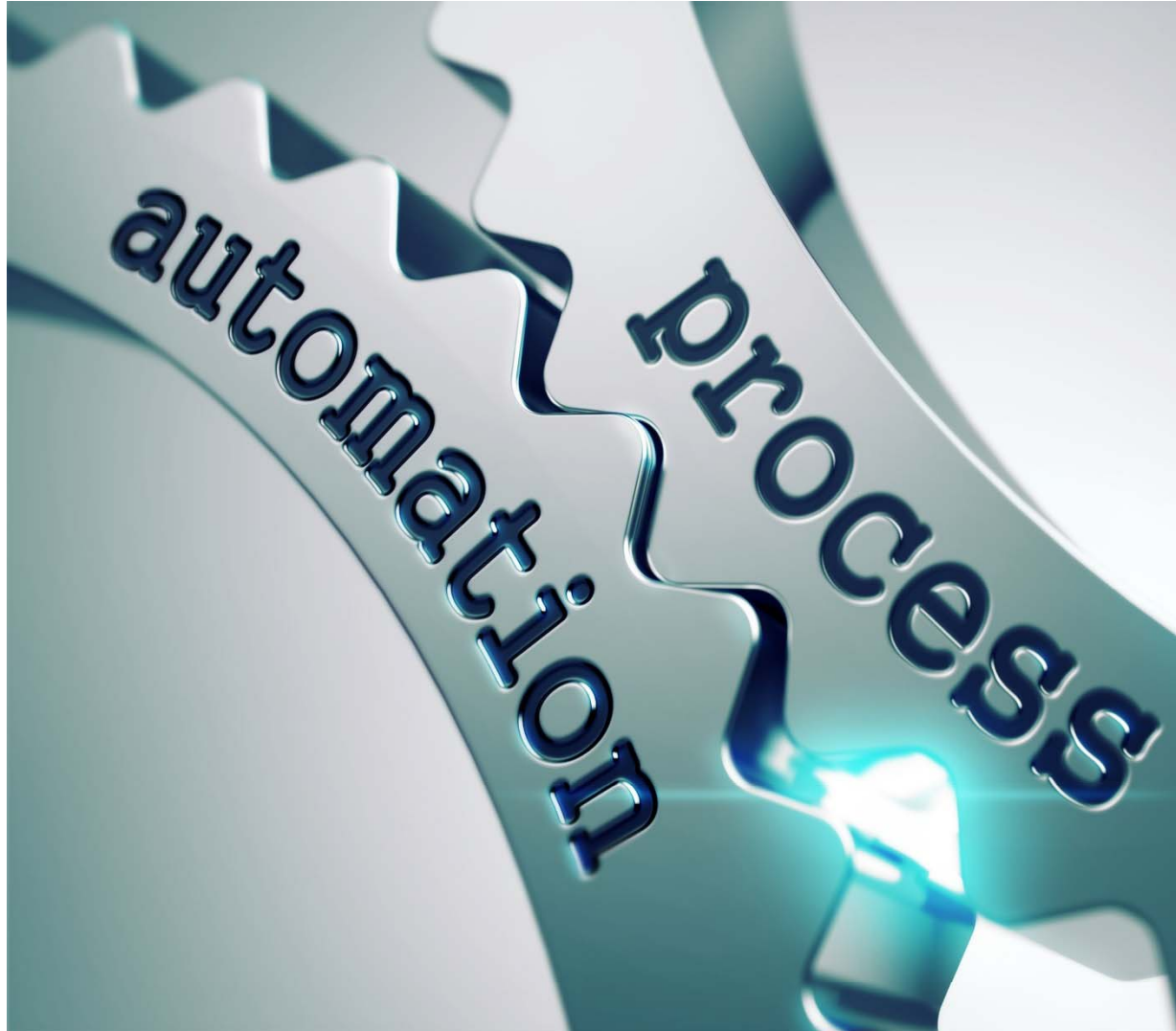
- Track all incoming calls from Policy Holders or their representative
- Track all outgoing calls to Policy Holder or their representative from any functional area
- Track operations carried out directly by Policy Holder through the Customer Portal



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

