

# Cutting edge: a paperless claims trail

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**M**anaging the flood of paperwork is a huge challenge for auto and homeowners insurers striving to provide excellent claim service. Even a simple fender-bender generates 10 pages of letters and forms, but when someone is injured, the file can easily balloon to hundreds of pages of medical bills and correspondence with attorneys.

"No matter how good your filing system is, you're always going to misfile some things. Or the file you need might be on someone else's desk," says Frank Arment, vice president of claims at Plymouth Rock Assurance Corp., which insures about 150,000 cars in Massachusetts and Connecticut.

Today, the Boston-based company's adjusters no longer thumb through fat files looking for a bill or an estimate. When a customer or agent calls with a question, they don't have to say, "I'll look through the file and call you back." Instead, they can find any document they want instantly in the computer system.

Instead of sorting and filing mail regarding claims, Plymouth Rock scans about 164,000 incoming sheets of paper a month—almost 2 million pages a year—with its high-speed scanners.

Additionally, faxes from agents reporting customers' claims are converted immediately into electronic images. Now, all documents are in the computer system, available to everyone in the claims office, plus the appraisers who travel the region in their Crashbusters® vans. The system, based on ImageRight software, lets adjusters retrieve well-indexed documents and helps their bosses manage the workflow efficiently.

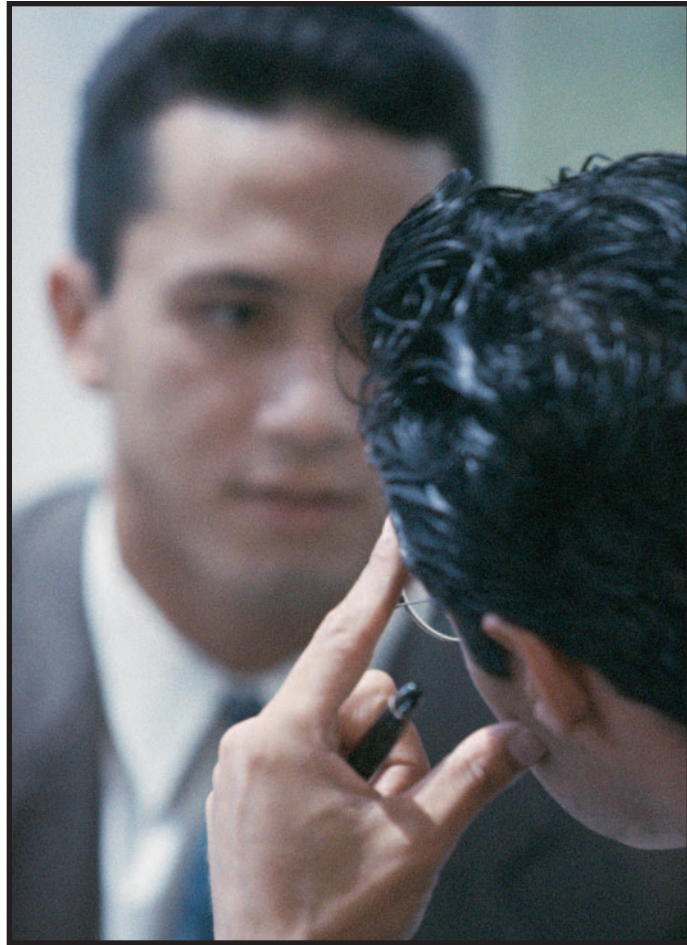
The bottom line: the company pays claims faster and gives even better service because everyone, including adjusters, always has up-to-the-minute information.

Plymouth Rock adopted imaging in November 2001, and its sister company, homeowners insurer Bunker Hill Insurance Co., went paperless in the spring of 2002. Mt Washington Assurance Co., the New Hampshire affiliate, adopted imaging for auto and homeowners claims in June 2002.

## At Their Fingertips

"It helps us deliver better customer service. When something is time-sensitive, you can find it immediately," says Anthony L. Ranuaro Jr., a claims supervisor who handles claims involving both injuries and vehicle damage. Documents are more accessible. Nothing's misfiled. It's much more efficient," he says.

Before, finding a document buried in a 1-inch-thick file covering a single claim could be a frus-



trating exercise. Now, it can be retrieved in seconds. And when Ranuaro or one of his adjusters sends documents to an attorney, he or she no longer copies the entire file and overnights it. Instead, the documents can be emailed in seconds, letting adjusters focus on speeding settlements and better serving customers.

In the paper-file days, vacations and sick days could cause problems. To help a customer or agent calling about a claim, Kelly and her staff had to hunt through files on someone else's desks. Now, anyone can find any document instantly, and she and an associate can even both view the same document at the same time and discuss it.

The system also helps her manage the staff better. If she sees that someone is running behind, she can reassign claims to another adjuster with a lighter workload.

Going through her paper inbox used to take 30 minutes; now it takes seconds with her electronic inbox. "It's all right in front of you," she says.

## Faster Homeowners Claims

At Bunker Hill, which insures about 48,500 homes across Massachusetts and pays about 3000 claims a year, the imaging system has boosted efficiency and service, says Stephen Hagerty, claims manager.

The company's claim adjusters, based out of their homes across the state, process each claim start to finish. They inspect damaged homes and property, take digital photos, write appraisals on their laptop computers, and cut checks on the spot for most routine claims. They settle more than 50% of the losses at the time of the inspection, thus allowing them to settle more claims faster.

Since they're almost always on the road, previously it was difficult to get up-to-date information from them immediately. The adjusters and central claims office had duplicate files, and often neither file would be 100% current.

Today, adjusters electronically attach all photos and computerized estimates and e-mail most paperwork, faxing paper bills and estimates when necessary. All are captured in the image-management system, which they can access at home.

Today, when an employee at Bunker Hill's claim office gets a call about a claim, it doesn't matter if the adjuster is on the road. The employee can call up the file in seconds and have an intelligent discussion with the customer or the agent.

"It makes us more efficient, from data entry to the management level," Hagerty says. "It gives us great flexibility in assigning claims and getting reports."

While files for routine claims, like water damage, aren't voluminous, they mushroom in large claims, especially in liability cases involving injuries.

"The bigger the claim, the more efficient the system. If a month or year from now we need to find an emergency-room report, we can call it up instantly instead of flipping through a huge file to find it," Hagerty says. "The whole process, start to finish, goes faster."

Imaging too promotes quality control because claim supervisors can readily call up a file and make sure the claim was handled well, he adds.

Arment believes Plymouth Rock, Bunker Hill and Mt. Washington are "light years ahead of the competition" in using imaging technology. One key, he says, is the right technology—ImageRight is designed for personal lines insurance. Additionally, the insurers have used imaging as a springboard to "rethink everything—all our procedures—to make sure we're as efficient as possible," Arment says. □