Large finance and insurance provider adjudicates claims 75% faster with Kofax TotalAgility

This large finance and insurance provider is using Kofax solutions to revolutionize the way it manages millions of contracts and thousands of claims. The company has reduced the time taken to adjudicate claims by at least 75 percent and has boosted productivity of the claims processing team by approximately 30 percent. Customer satisfaction has improved by 15 percent.

Challenge

Every year, this large finance and insurance provider processes more than 2 million contracts and thousands of claims. Whether a customer is purchasing a product or filing a claim, the company must ensure a prompt response—or it risks damaging customer satisfaction and potentially losing valuable business to more agile competitors.

"We're here to help our customers when they need us," said the Vice President of Operations Technology. "To achieve this vision, we need to keep customers informed at every stage of their insurance journey and ensure that their requests are dealt with in a timely, accurate manner."

With its rapid business growth, the provider recognized a need to move beyond traditionally high-touch, paper-based processes if it was to meet customer expectations for prompt service.

"We sell a large proportion of finance and insurance products through car dealerships, which routinely rely on pen and paper," the Vice President of Operations Technology said. "Claims processing was a similarly paper-heavy process. In each of those areas we have to collect a significant amount of documentation from external stakeholders and customers. Our administrative teams spent considerable time and effort scanning and processing hardcopy documents, as well as reviewing and sorting email attachments into folders."

The provider realized that it had a valuable opportunity to transform the sales and claims process into a more efficient, streamlined experience.

"We wanted to eliminate any sticking-points in the customer journey that could cause contract and claims requests to be delayed," he added. "The key to achieving this was to reduce the amount of paper and number of touch-points, as well as eliminating redundant process steps. We also wanted to engage more deeply with our customers, keeping them up-to-date throughout the sales and claims lifecycle and providing them with more convenient access to the services they required."

Meet this large finance and insurance provider

This large finance and insurance provider delivers products to the motor vehicle industry. Its products are sold at more than 10,000 dealerships across North America.

Products in use: Kofax TotalAgility®, Kofax Analytics for TotalAgility™, Kofax Kapow™ Kofax Mobile Capture Platform™, Kofax Mobile SDK™, Kofax Transformation™

Focus: Claims Processing, Mobile Capture, BI/Analytics, Customer Engagement, Robotic Process Automation

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Solution

The provider selected a suite of document and business process management solutions from Lexmark to turn its ambitious vision into reality.

"We recognized that if we could provide greater transparency and efficiency in the First Mile, we could deliver a higher-quality experience for our customers," the Vice President of Operations Technology said.

As a first step, the provider set out to automate the contract and claims submission process, and reduce the number of times a single document is handled by an employee. The company automated the capture of paper documents, scanning them directly to a Kofax TotalAgility document management solution without manual intervention. Similarly, documents received by email and fax are also flowed directly through to Kofax TotalAgility, producing a single, central information store.

Regardless of how the document enters the system—by mail, fax or email—it is identified by document type and sent to a work queue that matches it to an existing claim or contract. Next, each document goes through an extraction process that identifies and stores any pertinent data.

To deliver a further boost to efficiency, the provider worked to track each step in the contract and claims handling process to identify areas for improvement, using Kofax Analytics for TotalAgility.

"With Kofax Analytics for TotalAgility, we were able to establish key metrics, such as how long each step took, who touched each document and how many times, the number of documents classified in each batch, the average time per classification, and so on," the Vice President of Operations Technology said. "Tracking these metrics provides us with two opportunities: one is to recognize the superstars, and the other is to work with people who aren't as efficient to help improve their performance. With the new insight, we can take steps to improve processing efficiency even further."

> *"We recognized that if we could provide greater transparency and efficiency in the First Mile, we could deliver a higher-quality experience for our customers. We saw an opportunity to use Lexmark products to streamline a number of processes and eliminate redundant work, which would allow us to respond much faster to customers."*
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> **Vice President of Operations Technology**
> Large finance and insurance provider

Improving the customer experience

Beyond optimizing behind-the-scenes processes, the provider is also enhancing the front-end customer experience. Today, it provides customers with regular updates on the status of their pending claim or contract application, along with other communications, including "how can we help" notices—all of which help to keep customers informed and put them at ease.

On the claims side, the provider is working to launch a web portal that will offer customers up-to-the-minute insight into the status of their claim. They will also be able to view which documents are required to complete a claim and upload them directly. Documents submitted via the web portal will be processed through TotalAgility as if they had been sent through traditional channels.

What's more, the provider plans to extend this self-service functionality to a range of devices, using a new mobile app built on Kofax Mobile Capture Platform and Kofax Mobile SDK solutions. With the mobile app, customers will be able to take photographs of claims-related documents using a smartphone or tablet and securely share them with the provider for processing. The company anticipates that this will significantly accelerate the claims cycle and empower customers with a more convenient way of submitting claims.

> *"With Lexmark solutions underpinning our mobile app, we can put new capabilities directly into our customers' hands and help them access the services they need anytime and anywhere—boosting satisfaction and loyalty."*
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> **Vice President of Operations Technology**
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"Kofax Mobile Capture Platform does a lot more than just capture a picture; it reduces the file size, synthesizes the data and brings it all into our system automatically," the Vice President of Operations Technology said. "With Kofax solutions underpinning our mobile app, we can put new capabilities directly into our customers' hands and help them access the services they need anytime and anywhere—boosting satisfaction and loyalty."

"Lexmark solutions will help us to accelerate the end-to-end claims lifecycle, from submission to payment. If all the relevant claims documents are submitted to us by 2:00 pm, we could release and send a check by noon the next business day."

Vice President of Operations Technology
Large finance and insurance provider

Accelerating the payment process

An important step in the claims payment process is evaluation of the claim itself. Before a claim can be paid, the provider must quantify the value of the customer's loss. That process involves numerous steps. An adjuster reviews every one of the 14 claims documents to locate the relevant information and then manually copies and pastes it to a new document. At the same time, the adjuster researches websites such as Kelly Blue Book (KBB) and the National Automobile Dealers Association (NADA) for corresponding information, and again copies and pastes that information into the same new document. This document is then summarized and entered into a contract management site. The company employs 20 adjusters who currently do nothing but step through this process with every single claim.

Many of these manual steps are being automated with the new system. TotalAgility now extracts 86 data points from the 14 claims documents, eliminating the need for assessors to manually review them. The provider then uses Kofax Kapow to perform two separate tasks: 1) Kapow automatically pulls the 86 data points into a centralized document and 2) Kapow robots go out to websites like KBB and NADA and extract any vehicle data and vehicle information related to the claim.

"Having Kapow automatically scrape information from those sites allows us to move the claim through the adjudication process much more efficiently," the Vice President of Operations Technology said. "Kapow is a critical product for us."

"Lexmark solutions will play a key role in our strategy to elevate the customer experience. The ability to digitize and streamline many aspects of customer interaction, from contract purchase to claims submission and management, will make it that much easier for customers to do business with us."

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Kapow validates the amount that should be paid on the claim and then populates the data into a proprietary contract management system—moving it to a payment status and eliminating yet another manual step. The claim is then routed to the provider's accounting and finance department to print the check. With TotalAgility and Kapow, the process from claim submission to payment is not only faster but more accurate. "I like to say that Kapow makes it all happen 'automagically,'" the Vice President of Operations Technology said.

Results

The new approach to contract and claims processing has delivered significant benefits. Document capture has been transformed into a fast, low-touch activity, helping the provider handle contract- and claims-related documentation more efficiently than ever before.

"In the past, document capture alone used to take up to two hours a day; now it takes just 10 to 15 minutes," said the Vice President of Operations Technology. "And during this process, documents used to be handled by an operator three to five times. Today, they're touched just once—a reduction of up to 80 percent."

In addition, the provider estimates that the new Lexmark solutions will reduce the time taken to adjudicate a claim by at least 75 percent, as the Vice President of Operations Technology added: "Lexmark solutions will help us to accelerate the end-to-end claims lifecycle, from submission to payment. If all the relevant claims documents are submitted to us by 2:00 p.m., we could release and send a check by noon the next business day."

Increased automation and streamlined processes allow staff to handle growing volumes of work more easily, increasing productivity of the claims processing team by approximately 30 percent.

The newfound efficiencies have allowed the provider to run a much leaner team, even as its business continues to grow. At one point, the company assigned just under 50 full-time employees to manage the paperwork related to contract and claims processing. The provider expects to cut that number in half, showing a return on the Lexmark investment of better than 18 months.

Equally important, the new approach is already making a positive impact on customer service levels. The provider estimates that it has achieved a 25 percent reduction in the number of calls from customers checking on the status of their contract or claim, and customer satisfaction scores have increased by 15 percent.

"Lexmark solutions will play a key role in our strategy to elevate the customer experience," the Vice President of Operations Technology said. "The ability to digitize and streamline many aspects of customer interaction, from contract purchase to claims submission and management, will make it that much easier for customers to do business with us. This will help us increase satisfaction and loyalty, and gain a valuable edge on competitors. We consider our investment in Lexmark solutions to be a game-changing differentiator in the marketplace."

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