

National Underwriter

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TECHNOLOGY TRENDS: CLAIMS

LEVERAGING SOA

Technology Helps Boost Claims Velocity

BY RANDY WHEELER

TODAY, MANY financial transactions occur in real time, and consumers have come to expect the immediacy and real-time benefits of online transactions, 24x7 connectivity and mobile communications. As a result, the claims industry has been forced to respond to consumer and market pressures to accelerate transaction processing.

What's ahead is a more modular, service-oriented architecture that tightly integrates data, systems and people to speed up workflow, improve productivity and enhance claims decisions.

Consider the key infrastructure and technology tools—such as Web services, business rules and browser-based technology—that are enhancing straight-through processing, so claims organizations can achieve increased claims velocity.

► FLEXIBILITY TO QUICKLY ADAPT TO MARKET CHANGES.

An organization's unique claims management strategy is the cornerstone to its competitive advantage. In the past, policies and procedures were hard-coded into

respond quickly, without waiting for IT assistance. To adapt to market fluctuations, organizations are demanding browser-based systems that enable business users to implement process changes on their own and on the fly.

They must have the ability to continually rethink processes, and where appropriate, redesign claims workflow for optimal efficiency and performance. A high-velocity solution provides both robust claims functionality and powerful customization capabilities out of the box.

► BUSINESS RULES AUTOMATION ENABLES STRAIGHT-THROUGH PROCESSING.

Ideally, claims organizations want to apply adjuster resources where they are needed most. By leveraging sophisticated business rule engines, organizations increase their rate of straight-through processing. This means relatively simple and straightforward claims are settled with little or no human intervention.

To achieve this type of end-to-end automation, organizations customize business rules to review incoming claims and identify "simple, straightforward" transactions—such as a workers' compensation claim with only one doctor's visit—to be routed for immediate settlement and closure.

Business rules ensure consistent quality in an automated claims-handling environment, while also enabling claims adjusters to focus their time and attention on more complex claims that require their expertise

and personalized service.

► ACHIEVING PAPERLESS CLAIMS PROCESSING THROUGH A DATA-DRIVEN STRATEGY.

Today, the vision of paperless claims processing is finally being realized. In its rudimentary stage, claims departments scanned documents but continued to use paper throughout the organization.

To engage in a truly "paperless" paradigm, organizations are completely avoiding the generation of paper documents, relying on the electronic submission and exchange of information. In this data-driven environment, information is inputted once and made available to all parties via an enterprisewide electronic infrastructure.

The paperless paradigm has expanded, as organizations use optical character recognition and electronically attach digital photos, videos and audio to the claims file.

As an added benefit, a data-driven strategy means more information is available for analysis, benchmarking and performance reports.

► PROMPT CLAIMS REPORTING VIA THE INTERNET.

Prompt and accurate reporting of claims is critical to achieving the best possible outcomes. Whether an organization employs an in-house claims department or a third-party call center, data reported on the front-end must feed directly into back-end claims systems.

Seamless integration allows claims adjusters and other loss-control specialists to quickly initiate their role in the claims process, leading to optimal



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claims systems. Changing a process meant retooling the software—a task that required a programmer to perform.

With today's rapidly changing claims environment, organizations need to re-

