HOW INTEGRATED OPERATIONS-AS-A-SERVICE PROVIDES CUSTOMER VALUE

ABOUT THE CUSTOMER

A leading third-party claims administrator offering workers' compensation, managed care, and program business solutions.

THE CHALLENGE

The TPA sought to expand its offerings by adding property and casualty claims servicing. The new property and casualty team wanted to focus on growth, creating new value-added programs, and servicing its carrier clients; however, the company lacked the time and resources to develop a fully-fledged administrative infrastructure as well as recruit and train back-office talent.

Furthermore, one of the key differentiators for the new division was to set and achieve aggressive service-level agreements (SLAs) with clients. This meant quickly and efficiently assigning claims while keeping caseloads within standards and expediting claims intake and first notice of loss (FNOL) documents. It would also require escalating large claims and performing front-end work, such as file review, policy verification, and fraud investigation to streamline the adjusters' tasks.

In addition, the TPA sought access to scalable resources to meet its ambitious growth goals of reaching more than 20% growth for new divisions within five years.

THE TRUTH BEHIND PURE PLAY RPA VS AUTOMATION-ENABLED SOLUTION

One option that organizations like the TPA often consider to achieve their goals is robotic process automation (RPA). This typically involves engaging a consultant to construct RPA bots to automate repetitive tasks and free up human agents for more complex and valuable work. While RPA has proven to be an effective solution for many business processes, in the case of insurance procedures, it is unfortunately "not ready for prime time" for several reasons.

- **Complexity.** Claims processing comprises many steps involving multiple systems, and rules change often. In our experience, insurance procedures change up to seven times per month. Bot maintenance is a significant and often overlooked expense. Any change in procedures disrupts the bot carrying it out, creating an interruption that must be addressed. Bringing in developers to adjust RPA bots to meet these changes quickly becomes costly, time-consuming, and inefficient. This is a prime example of "technical debt," in which unaddressed technological limitations or work-arounds become increasingly costly and disruptive to fix.

- **Lack of industry knowledge.** Third-party consultants focused on RPA

CUSTOMER PROFILE

Third-party claims administrator

BUSINESS NEED

Support a rapidly growing new division while maintaining quality and service level agreements

SOLUTIONS

ReSource Pro Tech-Enabled Business Process Management

THE IMPACT

- Exceeded revenue growth goals
- Met FNOL SLA of less than 24 hours on a continuous basis
- Claims setup time reduced by 39%
- Claims assignment time reduced by 31%
- Launched multiple new programs
- Attracted new carrier partners

ReSourcePro®

development rarely have the deep insurance knowledge required to fully understand the processes they are automating. For example, they may not know how to abstract certain inputs and tasks to future-proof the automation. In addition, many steps in claims processing require judgements better made by human agents.

- **Lack of operator collaboration.** Conversely, few service delivery teams are familiar enough with the rigors of automation to assist the development team in uncovering opportunities for automation, developing automated processes, and refining them to reduce technical debt.

- **Non-standard procedures.** Automation depends on well documented and standardized processes. Any variation will disrupt operations in the same way that process changes would.

To get its new property and casualty team up and running as quickly and efficiently as possible while meeting its targets, the TPA decided to seek out a trusted partner that could help provide stability to the new division.

THE SOLUTION: INTEGRATED OPERATIONS-AS-A-SERVICE

After weighing its options, the TPA chose to engage with ReSource Pro to support its property and casualty team. The ReSource Pro team immediately set about easing the workload of the client's adjusters and managers by assigning a ReSource Pro team in India to handle all claims adjuster follow-ups and FNOLs, effectively transforming the TPA into a 24-hour operation and eliminating the need for an internal team to perform these tasks. The ReSource Pro team also assumed responsibility for the client's claims entry—including claims setup, adjuster assignment, creation of claim letters, and others—and assisted their adjusters in gathering data for claims investigations, including ISO and police reports as well as plate/VIN numbers.

In just three months, the ReSource Pro team was running at 100% production, providing additional operational stability to the client's new division and allowing their team to focus on strategic growth initiatives.

ReSource Pro's approach to integrated operations leverages RPA as a tool rather than a standalone solution. This effectively overcomes the limitations of a traditional approach to RPA to create scalable, cost-effective results that benefit customers:

- **Flexibility.** Complex workflows, such as claims, typically require an exchange between a human processor and a bot. For example, a ReSource Pro claims processor fills in a claims template that is forwarded to a bot, which automatically updates the claims management system and returns to the processor, who then assigns the claim. Adding a human into the loop takes advantage of automation while reducing the need to update more complex tasks in response to rule changes or other adjustments. At the same time, automating certain processes increases throughput and allows for smoother scaling of services to meet fluctuating customer needs.

- **Industry knowledge.** Our automation developers all have previous experience as insurance processors and draw on deep industry knowledge to develop, maintain, and update bots.

- **Automation-aware operators.** Our service delivery teams have training and experience in process automation so that they can work closely with the development team to create new bots and update those that can be improved.

- **Process optimization and standardization.** Beyond automation, our service delivery teams work with standardized processes that are continually optimized for efficiency. Standardizing processes at the human and bot level makes automation more efficient and effective.

THE RESULTS

The TPA benefited from a quick turnaround time and a high quality, cost-effective solution that freed up capacity and resources for more strategic work. With ReSource Pro's support, the client exceeded their growth goals for their new property and casualty service. Our unique model integrates people, process, and technology and seamlessly blends in automation to deliver scalable output on a complex process with constantly changing workloads. And despite the challenges of rapid growth, including a 5X+ staff increase, the client saw improved team morale, as adjusters could focus on servicing large claims, improving service, and other key items that needed their attention.

The impact included:

- Great claims experience for the TPA's clients

- Met FNOL SLA of less than 24 hours on a continuous basis

- Claims setup time reduced by 39% to 21.61 minutes

- Claims assignment time reduced by 31% to 8.63 minutes

- Launched multiple new programs

- Attracted new carrier partners

RESULTS WITH IMPACT

Claims setup time reduced by

39%

Claims assignment time reduced by

31%

Continuously met FNOL SLA of

<24 hours

ABOUT RESOURCE PRO

ReSource Pro is an insurance-focused business solutions company that integrates people, process, technology, and data analytics. Over 1,000 carriers, brokers, and MGAs rely on ReSource Pro to execute strategies that improve profitability, accelerate growth, deliver improved claim outcomes, and enhance client and employee experience. With more than 6,500 employees globally, ReSource Pro provides business process management, strategic advisory services, management and organic growth consulting, training, and compliance solutions around the clock. ReSource Pro has been listed as one of the Inc. 5000 Fastest Growing Private Companies annually since 2009 and has consistently achieved a +95% client retention rate for over a decade.

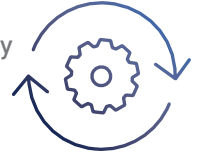## FOR MORE INFORMATION

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