

iNSTREAM™

Automated inbound claims handling

Case Study

Davies Group Insurance Claims Solutions





DAVIES

Using inSTREAM, a team of just 4 people can process around 3000 claims documents per day

Mark Grocott, Operations Director, Claims Division

Davies Group provides a complete claims processing service to their insurance industry customers

They pride themselves on 'Spearheading change and innovation in the claims market.'

When Davies' in-house document capture solution started to show it lacked the scalability and flexibility the business needed, rather than fix it they decided on a more radical approach; to switch this key part of their solution to a managed service – inSTREAM from Celaton.

The result has been a complete success – strategic and operational benefits are clear. Davies Group has achieved the scalability and flexibility they need, and has reduced clerical costs at the same time. inSTREAM is now a fundamental part of their key business processes, enabling them to

succeed with innovative, agile services in a marketplace driven by customer service and low-cost processing.

Davies Group – in a highly competitive marketplace

Davies Group customers are insurance companies, and the insurance industry today is driven by customer service and low-cost processing. Insurance companies also answer to the FSA, who demand clarity and fairness to customers.

Claims Processing is itself a competitive industry, with several large claims companies battling for supremacy, while smaller niche players are always looking to expand their coverage.

Davies Group operates in a marketplace where competition is strong, customers have alternatives, and processes are highly regulated. Policy holders' expectations of

service are higher than they ever have been, and this ripples up through the insurance companies to their service providers like Davies Group, who in turn depends on Celaton for key components of their competitive edge.

Challenge – from in-house to managed service

When Davies Group looked for an alternative to their in-house document capture system, they weren't new to managed services – they had outsourced other services, and they themselves provide managed services to their customers. They understood the ramifications of managed services both as provider and consumer.

All in all, one would expect Davies Group to make informed, good quality decisions about adopting managed services, and they chose Celaton's inSTREAM.

Davies Group Operations did their due diligence; this included inspection of the data centre that housed the service, and they worked with Celaton to define their security, availability and performance characteristics.

A key player in the Davies Group team was Mark Grocott, now Operations Director of the Claims Division. "Defining the service was a detailed piece of work" he says. "We had good historical data, we knew our end-to-end processing timeframes that we needed to comply with our SLAs, and these formed the basis of our SLA with Celaton."

This approach to service levels has proved robust – the service has been a successful, integral part of Davies Group's claims handling process for more than two years.

Requirement – flexibility, scalability, low cost

Davies Group's primary requirement, after performance and availability of the service, was scalability and low human intervention. Even in an insurance marketplace exhibiting little or no overall growth, there are surges in demand. For example a destructive wind storm crossing the UK can cause processing requirements to jump 60-70%



“inSTREAM means that we can easily scale to handle increases in claim volumes.”

Mark Grocott

with little or no warning, and remain at elevated levels for several weeks as claims are settled. So clearly the ability to scale on demand was key to Davies Group, whether that growth comes from competitive success or natural disaster.

In marketplaces with little growth there is fierce competition for existing business, and the insurance industry is no exception. As insurance companies drive their costs down to compete, Davies Group must offer them innovative, cost-effective services without sacrificing quality, accuracy or compliance.

Solution – inSTREAM at work

On-demand growth with low cost demands automation, and inSTREAM provides ever-increasing levels of automation for Davies Group's incoming traffic – their own 'instream'.

Margaret Fraizer is team leader of a small multi-role team in Davies Group that among other things looks after the vast array of incoming traffic for hundreds of claims handlers and other staff. The team of four, using inSTREAM, processes around 3000 documents per day, of which 25% are paper.

The job is to receive incoming claims, correspondence, complaints, under writers reports, cheques and all other documents relating to insurance claims, into the right systems and queues such that their processing meet or exceed the service levels required by the insurance companies and the FSA.

inSTREAM processes scanned and electronic documents, automatically identifies claim information and other metadata, and deposits the results in SQL databases and document stores ready for processing by Davies Group's claims

handlers and systems. It adds service metadata so performance of the process can be measured end-to-end.

Some documents can be processed without any human intervention, and others need a glance from Margaret's team to validate inSTREAM's decisions or fill in missing details. A few are illegible, and need people power to get on track.

Continued over



“inSTREAM helps us to reduce claims cost and speed up the claims process, a win-win outcome for insurer and policyholder alike.”

Mark Grocott

- Davies Group has experienced real cost-savings from clerical staff reduction, with important improvements in throughput and scalability, thanks to inSTREAM
- Davies Group understands managed services. They did their due diligence and chose inSTREAM
- They find strong, positive business relationships key to service agility. They have such a relationship with Celaton
- Davies used inSTREAM to support and enhance their proposition and services – it delivers competitive edge in a tough marketplace.

Watch the
inSTREAM
video online at
celaton.com

Continued

Irreplaceable inSTREAM

Could they do it without inSTREAM? Margaret gives a clear "No – it would be impossible to manage without it", and she makes the point that her small team now has almost no repetitive clerical work to do – they have become process experts that spend their time fixing the sort of business problems that only people can solve. Mark Grocott expresses a similar feeling – that Margaret's team, having shrunk through promotions, is now as small as it needs to be, and Davies Group can provide excellent, cost-effective service which includes handling out-of-line situations that aren't amenable to automation, no matter how intelligent.

When pushed, both agree that the team would have to be 2-3 times bigger without inSTREAM, and they would need to somehow conjure up more skilled people during surges. As it is, inSTREAM can scale on-demand to see them through busy times.

Agility through relationships

Mark raises some interesting points about service levels and business relationships. That SLAs are important, and the regular review meetings that take place with Celaton staff are just as key – they keep both parties in-sync with upcoming changes that the ever-agile Davies Group wants to make that could affect, or need support from, the inSTREAM service.

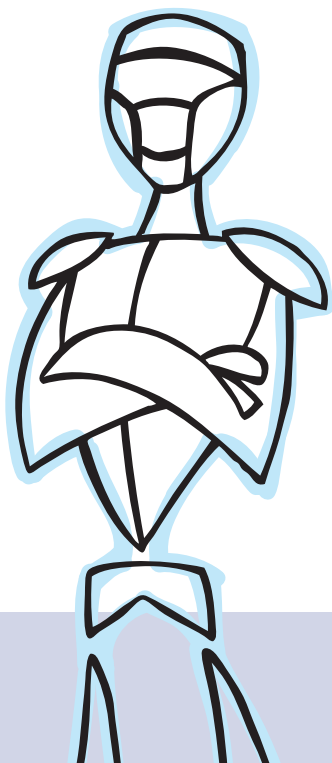
inSTREAM – enhancing the customer experience

inSTREAM is at the heart of Davies Group's proposition to their market. To quote their website: "Our aim is at all times to reduce claims cost and speed up the claims process, a win-win outcome for the insurer and policyholder alike." This strategic capability directly stems from the partnership between Davies Group and Celaton driving down costs and processing times.

But it doesn't end there. "Agility is our USP" says Mark Grocott, and an example of this is Davies Group's C-Live service, a web-based service that provides their clients with "...secure, round-the-clock access to claim files including digital images of correspondence, complete claims history and audit trail of accounts." An innovative, game-changing service, designed and delivered by Davies Group, made possible by inSTREAM.

Find out more about how inSTREAM will revolutionise your claims processing.

Call: 0844 2458000
E: Hello@celaton.com
www.celaton.com



Celaton

Celaton Limited
Noble House, Capital Drive,
Milton Keynes, Bucks MK14 6QP

Tel: 0844 2458000
Fax: 0844 2458005
Email: Hello@celaton.com

The Celaton logo and inSTREAM™ are registered trademarks of Celaton Ltd.