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Overcoming Limitations

A new system offers expanded workflow control and mobile connectivity.

By: Sean Cassidy

Over the course of the past seven to eight years, several claims "communication" systems have been introduced and marketed in the Canadian P&C industry and while they provided secure collaboration and document exchange, claim workflow and auditing tools were always missing. Primarily limited to communication, and not really capable of much more in the way of tangible benefits or impacting indemnity costs, these systems never really gained a foothold in the market as was originally anticipated. There were often dubbed "glorified email" by detractors.

Conversense Insurance Services Suite is a new online claims management system that integrates with policy and claims systems, allowing the insurer to communicate with vendors, internal user groups, brokers and policy holders in a secure and workflow-based environment.

The founders of Conversense, Sean Cassidy and Brendan Paul, had previous experience working on two claims communication predecessors, and knew firsthand the limitations of the systems. With a new system, the scope of the functionality needed expansion in terms of workflow control, vendor management, broker integration, internal communication, and mobile connectivity.

While the challenge was laid out from a conceptual perspective, several key elements were missing in order to truly begin creating a new system. "We really needed adjusters and managers to realize that, unlike a generic communication portal, Conversense is a tool with insurance specific functionality," Brendan notes. However, in order to prove this, it was necessary to find an insurer who would be willing to fully embrace, test, and put the product into full production use.

We feel that The Guarantee Company of North America has always been a company that has tried to differentiate their service from others through the claims process. They are always looking for tools to help them provide the highest level of service possible, while remaining fiscally responsible. The challenge for Mike Conlon, vice president of Claims, Woodstock, GCNA, was to find new ways to provide enhanced policyholder service while controlling costs in the same time. Conversense has now been in use at The Guarantee Company of North America (GCNA) for almost three years.

After initially starting with basic auto and property claims, GCNA has expanded to include accident benefits claims and has really taken advantage of the workflow and cost control functionality. One of the key elements of the system is that every piece of data is automatically saved, time and date stamped, and can be measured and reported on. As a result, pieces of the claim file that used to be disparate, such as vendor phone calls and paper based authorizations and/or quotes, can now be tied together in a manageable way and controlled and moulding into a best practices approach. For example, the cycle time can be tied to the authorization, and automatically managed as well as tied to correlating vendors such that performance guidelines can be set and the adjuster only has to focus on claims that appear to be falling outside of insurance company defined business rules. This management by exception allows adjusters to focus on the claims that will most benefit from their attention. It also brings these claims to their attention before a potential issue arises and allows the adjuster to move from a reactive role to a proactive role.

GCNA has tied the body shop/car rental/appraisal/salvage process together through dates and cycle time functionality so one process drives the other and is captured all in one connected overview screen and journal. Since all participants are provided with the performance expectations upfront and share the information applicable to them for each claim, this greater degree of accountability results in a much greater degree of performance. The end result is the policy holder benefits from a dramatically increased level of organization and service and GCNA benefits from substantial savings on both indemnity and administrative costs. It is truly a unique value proposition when an insurer can improve customer service and decrease costs in the same process.

Additionally, the system has been integrated to some of GCNA's key vendors such as Discount Car Rental, Toronto CRC's, ICC, and ADP Autosource. Integration speeds up both the vendor process and the adjuster process. The more efficient the process becomes, the less willing users are to deviate from the best practices approach. This results in increased use of preferred vendors, reduced cycle times, and less administrative costs for the vendor as well as the insurer. The other intangible benefit to funneling more information through this process (intangible until a problem arises) is security. Since the system is fully secure and encrypted, more information in the system means less risky emails and faxes which are out of the insurer's control as soon as they are sent.

Now that all claim information is stored in one secure central site, this provides an ability to exchange information that was never previously possible and GCNA management now has a real-time window into every claim file and can review and audit all claims across the country instantly and from anywhere. In fact, GCNA has taken this one step further and is now providing their broker network with a filtered view into the claims journal, which allows the broker to instantly review the status of the claim and service the policy holder in a single call, rather than having to call the adjuster, gather the information, and then call the insured back. Someday, an insurer might even provide the policy holder with a filtered window into their claim file, and Conversense has already been built with this in mind.

When it comes to implementing a new system there is often the concern, and a legitimate one in many cases, "Is it going to be difficult to implement at the insurance level and is the vendor network going to be able to learn how to use it?" The experience at GCNA has shown that, in terms of users (internal users and vendors), it is not a difficult system to train and support users on. GCNA has over 2000 active users and all that is required to use the system is an Internet connection and a computer. Adjusters typically require about a two-hour training session and many vendors do not require any training at all (their interface is very straightforward.) There is no strain on the insurance company IT department because this type of solution is fully outsourced and, as a result, can be implemented almost immediately with little to no insurance company resources.

Sean Cassidy is currently the director of business development at Vi-Max Co, a division of Uniban Canada. Sean was a member of the group that pioneered online claims processing in Canada back in 1999 and has been active in this field since that time.