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Claims Processing:

Meeting the Challenges of Today and Tomorrow

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Executive Summary

Many insurance carriers worldwide have staked their success on the technology that they use to run their business. Because the heart of that business, as a recent Datamonitor report notes, is claims operations, technology that improves claims processing is essential for carriers' present and future success.

At forward-thinking companies, people see claims as not only a cost but a moment-of-truth consumer experience. As one insurance carrier CEO recently commented, claims operations is both the single largest business cost and one of the most visible customer experiences. Improving the claims experience, therefore, helps companies achieve both a new level of sustained operational efficiency and customer satisfaction. The clear driver of these operational improvements is integrated technology, in the form of system-wide processes as well as point solutions, whether developed in-house, developed with partners or acquired externally.

Technology can improve claims operations in a variety of ways. It can enhance the quality of service, for example, by enabling customer experiences such as concierge-level service centers that provide estimating, repair and rental services, which reduce customer inconvenience from days to minutes. It can also dramatically improve a company's overall response time; the standard for fulfilling customer claims is changing from weeks to days, with some cases being settled immediately. Integrated technology strategies can improve a carrier's overall financial outlook by lowering the cost of key cost drivers such as operational efficiency, fraud detection, and — even better from the standpoint of cost — fraud prevention at the point of attack: before a claim is filed. In addition to yielding benefits for companies and customers today, these sorts of integrated, system-wide claims technologies provide a high degree of future-proofing. Solutions platforms that enable companies to accommodate new technologies as they become available provide carriers with the flexibility they need for responding to changing conditions, while building customer relationships that result in loyalty and referrals.

Companies worldwide are already benefiting from investments in claims process integration that enable them to offer new services and build new processes. They follow different paths to achieve that goal, however. Some develop single-point solutions to address key customer needs. These single-point solutions yield short-term benefits, but also can form the major building blocks of an overall integrated system. Other companies, meanwhile, build or buy their solutions in a more comprehensive manner. The development models companies adopt differ as much as the paths they take to business-enhancing technology. Some rely on technology partners for major components and integration services, while others build their systems internally. A solution built in-house, for example, helped IF Latvia, a part of one of northern Europe's largest insurance concerns that serves around 3.8 million clients, boost its claims efficiency approximately tenfold. Whatever the development model, integrated systems are quicker to build and easier to maintain than the legacy systems they replace. They are also more flexible; they easily incorporate new technologies, such as mobile computing support for claims adjusters and digital video of accident scenes shot by customers on their camera phones.

These advantages are already helping forward-thinking companies provide lower-cost products for clients, faster repairs, better customer service (including quick claims processing and

therefore lowered risk of litigation), and better employee support and retention—all while lowering overall costs and increasing profitability. By contrast, companies that still rely primarily on legacy technology are scrambling to catch up.

This paper examines the claims-processing challenges confronting insurance companies today, describes the strategies that forward-looking companies have identified to address these challenges, and outlines the technologies that enable these companies and their people to become more agile, technologically integrated, responsive and efficient. Companies that adopt these empowerment strategies are what Microsoft Corp. refers to as People-Ready Businesses; the paper summarizes Microsoft® technologies and services that help leading people-ready insurance carriers adopt solutions that form the Microsoft Insurance Value Chain (IVC), which integrates and automates business processes from product sales to policy issuance, underwriting, claims and settlement. These highly successful companies are using technology strategically to meet the competitive challenges of today, while positioning their organizations to meet the business and technology challenges of the future.

Business Challenges in Claims Processing

Today, claims processing is a source of escalating costs and increased risk for property and casualty insurance companies around the world. System-wide inefficiencies can lead to inaccurate claims assessments, delayed settlements, losses due to fraud, litigation, regulatory non-compliance and a shrinking customer base.

Insurance carriers of all types and sizes seek better ways to speed claims settlement, retain customers, fight fraud, set reserves quickly and accurately, analyze data to improve underwriting, streamline workflow, and manage litigation. Experts agree that meeting these goals requires a comprehensive strategy that encompasses business process improvements as well as technology platform modernization.

Key challenges driving business costs in claims processing include these:

RESPONSIVENESS. A company's ability to respond to customers is closely related to customer satisfaction, which is the single most important issue to customers according to independent research. Responsiveness is a technology and an operations challenge; it requires integrated technology support both internal to the carrier and along the entire insurance supply chain. It is also a key competition challenge: the standard for processing a customer claim has fallen from two weeks to three days — with some carriers offering on-the-spot settlement.

FLEXIBILITY AND MANAGEMENT OF WORKFLOW. Flexible internal workflow processes enable carriers to respond quickly to routine events, such as individual losses and claims, and to respond efficiently to extraordinary events such as natural disasters. Workflow flexibility ensures that a carrier can perform to its promised levels of customer responsiveness at all times. At the same time, it enables carriers to control overhead, labor and data storage costs, while bridging costly gaps between business processes.

SUPPLY CHAIN MANAGEMENT. Insurance carriers must manage service levels all along their value chain, and therefore they need insight and integration ranging from the adjuster in the field to the repair shop fulfilling the customer claim.

INSIGHT AND BUSINESS INTELLIGENCE. Business insight requires a flexible and dynamic architecture that supports responsiveness, flexible workflow and supply chain management while providing critical visibility for reduction of leakage and detection and prevention of fraud at every stage of the supply chain. Business insight enables business intelligence; an emphasis on reporting supports proactive decisions, rather than mere reactive analyses of circumstances — ranging from fraud to loss prevention — that have already occurred.

Each of these four key challenges to claims processing includes its own set of primary business cost drivers. Once these specific cost drivers are examined, the strategies that insurance carriers have adopted to address them will be discussed.

Insurance Carrier Strategies for Better Claims Processing

In developing strategies for addressing these challenges of responsiveness, flexibility, insight and supply chain management, many insurance carriers have identified a set of technology-related characteristics critical to improving their claims processing now and in the future. The single theme running through all these strategies is that they help companies deliver on the Insurance Value Chain by delivering collaboration and insight among all parties in the insurance enterprise. Claims processing (along with channel sales, underwriting, product development, core policy systems and reinsurance) is a key component in this value chain.

The claims-processing strategies that support the value chain include these:

- An integrated and flexible architecture
- Business intelligence enabled by more sophisticated data management, analysis and reporting throughout the enterprise
- Deeper integration of business processes, as well as visibility provided by monitoring, alerts and reporting
- Increased collaboration
- Support for mobile workers
- Cost-effective migration from legacy systems
- Industry and technology standards



INTEGRATED AND FLEXIBLE ARCHITECTURE. The most important feature of a carrier's claims processing solution, according to Karen Pauli, Senior Analyst from TowerGroup, is flexibility. Each carrier has unique requirements, because each has a unique mix of existing software, processes and procedures, and business plans requiring technology support. Datamonitor suggests that insurers are also looking for adaptability in the event that operating models change. New claims-processing solutions must be flexible enough to integrate with existing systems and also be forward-looking and able to accommodate new technologies as they become available.

BUSINESS INTELLIGENCE ENABLED BY DATA MANAGEMENT, ANALYSIS AND REPORTING THROUGHOUT THE ENTERPRISE. How data is created, stored and used through the enterprise is a key differentiator for forward-looking companies. When data is stored in silos, workers in different departments too easily find themselves working with incomplete or inconsistent data, or they may exclude colleagues who work with data in other

applications. Carriers need claims-processing systems that include smart applications that exchange data smoothly and eliminate paper, thereby lowering the risk of error and making it easier to share centralized data in real time. More broadly, data from different systems must be made widely yet securely available in a form that yields business intelligence at the point of attack and throughout the claims process, exposing meaningful connections that can be acted upon proactively. In this way, business intelligence provides a method for resolving a claim quickly, effectively and correctly. Just as important, it provides the actionable insight needed to help maximize the best sort of claim — the claim that is never made.

BUSINESS PROCESS INTEGRATION, MONITORING AND AUTOMATION.

Operational efficiency depends upon both human decisions and system rules. The goal is to close claims quickly, accurately and cost-effectively, which requires that companies unify a wide range of business processes into a coherent whole, and, wherever possible, that they automate those processes. Technology makes it possible to handle many tasks automatically, such as assigning claims, responding to regulatory inquiries, and creating and sending standardized forms, freeing expert staff to focus on the work only they can do.

INCREASED COLLABORATION. A secure shared workspace on the corporate intranet or an external Web site facilitates cooperation among all parties to a claim and shortens the time it takes to settle the claim. Carriers want adjusters, medical experts, investigators, attorneys and managers to be able not only to store documents in a shared location, but also to participate in discussions, coordinate their calendars and schedules, and exchange data in any format. They also want this collaborative workspace to be as easy to set up as a telephone conference call.

SUPPORT FOR MOBILE WORKERS. Mobile devices, such as Smartphones, Pocket PCs, and Tablet PCs, allow adjusters to create claims more efficiently, file claims more quickly and handle more claims per day. Forward-looking carriers want to continue taking full advantage of mobile solutions that give adjusters instant access to data and tools at the home office and enable them to capture and transmit information directly from the claim site. A system that supports mobile work also supports digital tools (such as laser rangefinders), which eliminate paper entirely, extending speed and efficiency through the entire claims process.

COST-EFFECTIVE MIGRATION FROM LEGACY SYSTEMS. Whether a carrier is integrating single components or implementing a claims-processing solution that is comprehensive and end-to-end, legacy data exists, and it is often stored on mainframe computers. A key carrier strategy is to reduce overhead costs by moving all or part of their data from an expensive legacy system to a more cost-effective platform.

Industry and technology standards. The insurance industry depends on multiple participants — agencies, carriers, reinsurers and others — across numerous organizations. Because of that range, it has been a leader in developing standards for efficient communications through ACORD, the global insurance industry standards body.

The Insurance Capability Model defines insurance industry business capabilities. ACORD members and the industry use this model to do the following:

- Identify the common and unique industry capabilities and the areas for ACORD standards asset reuse
- Provide the basis for the definition of business process models and business process service
- Identify where existing ACORD standards can be leveraged and where opportunities exist for further development of ACORD standards

Critical support for compliance with these industry standards is provided by XML-based and other technologies that support the IVC by monitoring quality all along the process. Denise Garth, vice president of Membership & Standards at ACORD, has said that Microsoft has helped to move the standards process forward more rapidly and that its work with fellow working group members was a great achievement. "As ACORD and our members work to build the future of the ACORD standards, we are grateful to members like Microsoft who actively participate in this growth and expansion, advance the standards, and support the industry as a whole."

Microsoft Technologies, Products and Solutions

Microsoft provides a comprehensive array of solutions that can help improve claims processing. These solutions range from basic infrastructure components — such as the Microsoft Office system, Microsoft Office SharePoint® Server, Microsoft BizTalk® Server, and Microsoft SQL Server™ — that individual carriers use to build capability in-house, to entire claims-processing platforms provided by IVC partners such as Accenture and Insurity. Each product or solution addresses a specific challenge facing carriers. Together, these People-Ready solutions fully support industry standards, gracefully bridge the gap between old and new technologies, and remove barriers between previously isolated business processes. They give front-line employees immediate access to the information they need from any location and through any device.

"With Microsoft products and technologies, insurance carriers can create an automated Insurance Value Chain for claims processing by delivering collaboration and insight to all parties involved in servicing the insurance customer's needs."

GORDON EJSMOND-FREY
Industry Manager,
Insurance, EMEA Financial
Services at Microsoft

The Microsoft Vision for Claims Processing

The Microsoft vision for insurance claims operations connects business processes with strategic solutions that are tightly focused on solving business problems and serving customers. "Our worldwide vision encompasses all participants, components and processes in a claims-processing ecosystem," said Gordon Ejsmond-Frey, Industry Manager, Insurance, EMEA Financial Services at Microsoft. "With Microsoft products and technologies, insurance carriers can create an automated Insurance Value Chain for claims processing by delivering collaboration and insight to all parties involved in servicing the insurance customer's needs."

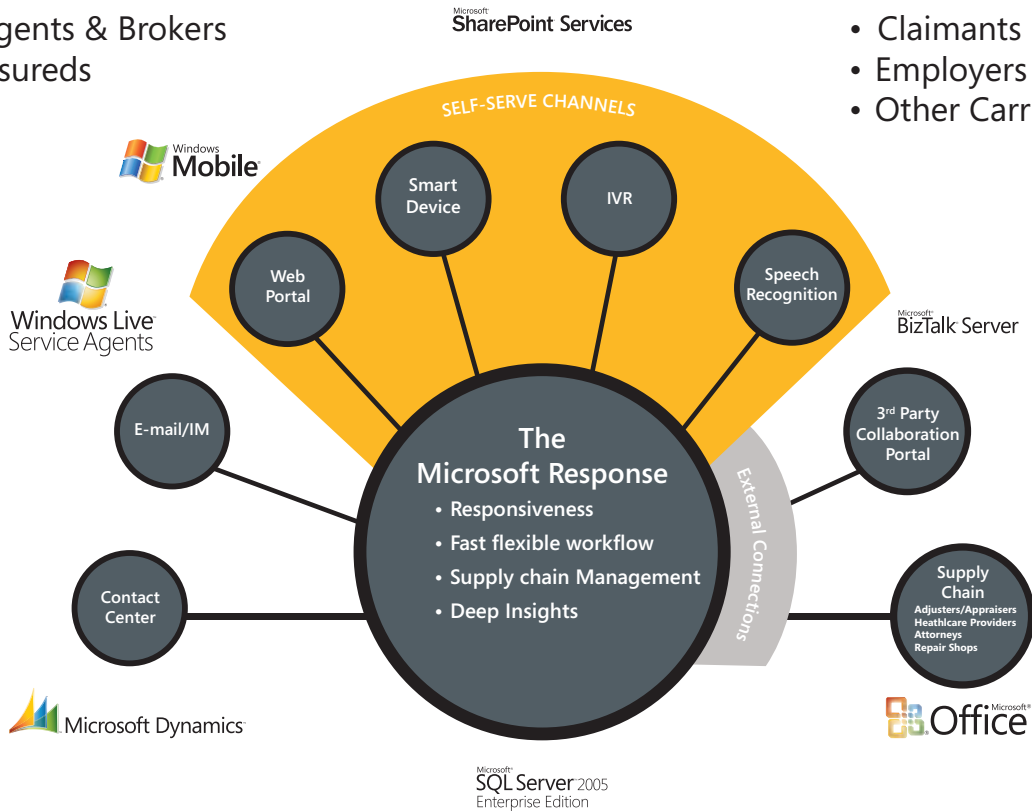
For forward-thinking companies, choosing integrated systems built on Microsoft products and technologies is a smart bet for today and for the future. "We chose this technology for its scalability and innovative design as well as its track record in the industry," said Paul Stachura, chief claims officer for Fireman's Fund. The remaining subsections below detail precisely how Microsoft-based solutions are today providing real-world solutions to help achieve each of the strategic goals that companies identify as critical to their success.

The Microsoft vision for claims processing, shown below, integrates the actors, processes and technology components across the claims ecosystem.

Claims Processing Ecosystem

- Agents & Brokers
- Insureds

- Claimants
- Employers
- Other Carriers



Integrated and Flexible Architecture: Microsoft .NET Framework

Because most large enterprise companies have “one of everything” — applications written in different programming languages, devices running on different platforms, and custom-built solutions — it is essential that the applications and processes of new claims-processing technologies integrate smoothly with existing ones.

The Microsoft .NET Framework, a component of the Microsoft Windows® operating system, enables developers to create platform-independent applications and solutions. Not only does this reduce development time and costs, it also makes it possible to connect information and people throughout the enterprise regardless of the operating system, applications or devices that they use.

Web Services, the .NET Framework communication mechanism, uses a data format based on XML, the standard universal language of data exchange on the Internet. When two isolated systems (such as an accounting system and a sales database) are working well on their own, it is rarely cost-effective to redesign one or both of them to work together. Web Services provides a smart alternative.

In a .NET environment, both office staff using desktop platforms such as Windows XP and workers in the field relying on Windows Mobile®-based devices can connect in a security-enhanced manner to databases and other systems running on Windows Server® 2003. Individuals enter data into the system only once, and regardless of its original format, everyone else who needs it can use it.

For claims processing, the .NET Framework and support for Web Services provide the following advantages:

MORE EFFICIENT CLAIMS PROCESSING AND IMPROVED CUSTOMER SATISFACTION.

Adjusters can work with everyone — injury experts, repair shops, customers and the central office — through e-mail, instant messaging and shared workspaces on the Internet or intranet.

BETTER WORKLOAD BALANCING. When adjusters and industry experts can locate and share data from any location and through any device, managers have more flexibility in assigning cases.

LOWER DEVELOPMENT AND IT COSTS. Developers can quickly build claims-processing solutions connected by Web Services. For any given solution, they can use one or more of at least 20 programming languages. Within a .NET Framework, new claims-processing solutions link smoothly with legacy systems, and as servers, applications and databases are added over time, the .NET Framework easily integrates the new components, saving development time and money.

NEW BUSINESS OPPORTUNITIES. Web Services can be extended outside the corporate firewall, helping an enterprise connect with customers and partners in new ways, opening doors to new business opportunities and revenue streams.

Business Intelligence Through Data Management and Analysis: Microsoft SQL Server With Business Intelligence

Insurance companies can equip their adjusters and investigators to make faster, data-driven decisions by providing them with an accessible data warehouse. This rich source of information can also be used to do the following:

- Create statistical models to support underwriting and to forecast costs and estimate reserves more accurately
- Detect anomalies that might indicate fraud before a claim is settled
- Improve operational efficiencies
- Develop new products

Microsoft SQL Server, a database software platform with integrated business intelligence tools, helps build data warehouses that consolidate information and make it easier to draw meaningful insights from it. SQL Server 2005, the most recent version, supports both relational database format and XML, and it includes sophisticated tools for analysis, reporting, integration and notification that help organize and distribute information throughout the system. The technology enables workers to share data across any number of platforms, applications and devices, making it easier to connect internal and external systems. SQL Server is closely integrated with other Microsoft products, including the Windows Server System™, the Microsoft Office system and Microsoft Visual Studio®.

Business Process Integration, Monitoring and Automation: Microsoft BizTalk Server 2006

"Carriers need interoperability at a level which addresses business needs, not just IT functionality," said Mike Walker, architecture strategist at Worldwide Financial Services.

Microsoft BizTalk Server 2006, built on .NET Framework 2.0, is a business process management (BPM) server that provides powerful tools designed to connect, automate, monitor and optimize different business processes, including the long-running transactions that are common in insurance claims processing. Once an automated process is set up and running, BizTalk Server gives business people (not just technicians) tools to monitor and evaluate that process over time.

For example, GLAXIS, the e-business solutions unit of PPG Industries, used BizTalk Server to handle claims such as broken windshields and smashed side windows. Using BizTalk Server, GLAXIS linked retailers, insurance claim administrators, glass distributors and manufacturers to help them process insurance claims, check inventory, and automatically send and receive orders for auto replacement glass. The BizTalk Server hub linked to point-of-sale or enterprise resource planning (ERP) systems at 150 companies without requiring them to change their technology.

Increased Collaboration: Microsoft Office SharePoint Server

Microsoft Office SharePoint Server, a Windows Server technology, provides a centralized workspace for teams to manage documents, participate in discussions, and coordinate schedules through shared calendars in Microsoft Office Outlook®. For example, a claims manager can quickly and easily build a collaborative workspace on a security-enhanced Internet or intranet site where experts can review medical and auto repair reports, view photographs and accident diagrams, and listen to recorded commentary from accident investigators. Office SharePoint Server uses tools already familiar to most information workers.

In addition, IT professionals can customize or extend the Windows SharePoint Services foundation to create new Web-based tools and services specific to the organization, department, claims process or insurance industry. These new tools and Web services can be combined with line-of-business applications, capitalizing on existing IT investments.

For information workers, Microsoft Office Groove® 2007 provides easy collaboration capabilities without a network server infrastructure; it integrates out-of-the-box with other Microsoft programs, including Microsoft Office SharePoint Server 2007.

Information Available Throughout the Enterprise: Web Services and the 2007 Microsoft Office System

Insurance claims processing relies on data, and an efficient system must make critical data immediately available across the enterprise to anyone who needs it. Because Web Services links data in any form and from any source, adjusters in the field have instant access to customer information, including policy details and previously filed claims, which enables them to make more accurate decisions on the scene. Field investigators who want to determine whether a case warrants a review for fraud can query a SQL Server database directly instead of waiting for a report from IT.

Using BizTalk Server, GLAXIS linked retailers, insurance claim administrators, glass distributors, and manufacturers to help them process insurance claims, check inventory, and automatically send and receive orders for auto replacement glass.

Microsoft Office system applications take care of communicating information so that claims processors can focus on the information itself. The 2007 Microsoft Office system uses an XML-based file format for Microsoft Office Excel® 2007, Microsoft Office Word 2007, and Microsoft Office PowerPoint® 2007. Any application or Web service that supports XML can access and work with data in the new file format, whether or not it is a Microsoft Office application or even a Microsoft product.

The new XML file format allows for the following:

- Rapid creation of documents from disparate data sources
- Accelerated document assembly
- Easier access to a broad range of data
- Reusable content
- Digital rights management to limit access to medical records and other confidential information
- Out-of-the-box automation that does not require programming knowledge

Microsoft Office InfoPath® 2007, an information-gathering program included in the 2007 Microsoft Office system, enables organizations to create and deploy XML-based electronic forms to gather information efficiently and reliably from existing line-of-business systems. Data is entered once and reused many times, reducing the cost and errors associated with manual entry. Information gathered in electronic forms can be linked to back-end databases and other systems through Web Services.

Office InfoPath 2007 solutions are fully integrated with other Microsoft Office applications. InfoPath 2007 can also be used with Office SharePoint Server to centralize the deployment and management of forms throughout an organization.

Support for Mobile Workers: Windows Mobile

An insurance company that can easily access, capture and share information from any location has a significant competitive edge: it can provide faster service, make more accurate appraisals, accelerate approvals, eliminate reams of paperwork and streamline back-office processing. With a more productive field force and virtually unlimited range, companies can expand their field of operations.

A growing number of companies are implementing claims-processing solutions that incorporate Smartphones, Pocket PCs, and other devices running on Windows Mobile. Windows Mobile also supports mobile versions of Office Word, Excel, PowerPoint and Outlook, all of which gives field agents easier access to data and estimating tools and helps them capture, review, transmit and share information directly from the claim site.

Symbility Solutions Inc., a Microsoft Insurance Value Chain partner, demonstrated the power of mobile claims processing in the aftermath of Hurricane Katrina. Kevin Bacon, an independent adjuster, used Symbility software on a Tablet PC to capture information about structural damage. Bacon used the laser range finder integrated with the software to measure rooms, at times directing the beam through holes or cracks in walls when he could not get inside the structure. Integration with FEMA forms enabled Bacon and his partner in the field office to file a claim the same day it was opened. Bacon estimated the mobile solution allowed him to process twice as many claims as he could have processed using paper.

Improved Customer Service: Microsoft Dynamics CRM

Microsoft Dynamics™ CRM is a customer relationship management system that is built on the .NET Framework and fully integrated with Office Outlook. Microsoft Dynamics CRM enables carriers to record new claims and track an adjuster's work on the claim through its lifespan. Monitoring the claims-settlement process decreases the amount of time it takes to settle a claim.

Salentica Systems Inc., a Microsoft Insurance Value Chain partner, has developed an easy-to-use system that is centered on the claim, the claimant, the process and all interested parties. The Salentica Claims Desk is distinguished by its simple and intuitive tracking of all of service-focused relationships and processes involved in insurance claims. More information about Salentica can be found at the Salentica Claims Desk at <http://www.salentica.com/SalenticaClaimStation.aspx>.

Cost-Effective Migration From Legacy Systems: Service-Oriented Architecture

In most large insurance carriers, core operations reside on mainframe systems running COBOL. Microsoft works with many Insurance Value Chain partners that have developed COBOL that can run in a Windows environment. This technology allows carriers to move their midrange and mainframe programs to less expensive platforms without rewriting code or applications. Moving even a subset of applications or portions of applications off legacy systems saves money, especially if a firm is running out of MIPS and is facing the need to invest more in its expensive legacy technology.

Service-oriented architecture (SOA) provides a blueprint for migrating information from legacy systems to newer platforms. SOA is not a product; rather, it is an approach to organizing distributed IT resources into an integrated solution that works across legacy systems and newer platforms. Used primarily by developers and solution architects, SOA takes advantage of standard protocols and interfaces (usually Web services) to connect business processes and share information across business systems.

Microsoft tools that help extend SOA in the enterprise include Visual Studio, the .NET Framework, Windows Server 2003 with built-in support for the .NET Framework, and Microsoft Developer Network (MSDN®), which contains a library of code and practices to speed .NET development. More information about MSDN is available at <http://msdn2.microsoft.com>.

More information about migration from mainframe systems is available on the Mainframe Migration Alliance Web site at <http://mainframemigration.org>.

Customer Evidence

Insurance carriers around the world have implemented solutions based on Microsoft technologies in their claims-processing environments. With solutions that address their specific claims-processing challenges, carriers can do the following:

- Achieve a higher level of integration and software stability

- Centralize data management and analysis for the entire enterprise
- Significantly improve processing time and simultaneously lower implementation and maintenance costs
- Eliminate manual handoffs, reduce cycle time and make the claims-settlement process more satisfactory for customers
- Substantially reduce overall administration and development costs

A few examples of carriers that have implemented these sorts of efficient technology solutions appear below.

Broadspire

Service area: End-to-end Web-based claims-processing system

Technology: Microsoft .NET Framework, Windows Server 2003, SQL Server 2000

In early 2003, when it was still part of Kemper Insurance Companies, Broadspire implemented Accenture Claims Components, a Web-based claims-processing solution provided by Accenture and based on the Microsoft .NET Framework.

After selecting SQL Server, Broadspire validated its decision at the Microsoft Technology Center (MTC) in Chicago. Test results confirmed the architecture that Microsoft had recommended: A single four-processor system running Windows Server 2003 and SQL Server 2000 handled the load, delivering 64 percent faster application response times than the mainframe system, at 4 percent to 5 percent average processor utilization. The migration finished 25 percent ahead of schedule and significantly under budget.

<http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=53196>

Farmers Insurance Group

Service area: Supply chain management

Technology: Microsoft .NET Framework

Farmers Insurance Group wanted to use live data interactions to eliminate as many delays as possible between the multiple stages of estimate and repair work. It also wanted to analyze and compare estimates and repair completion times. By implementing a solution based on Microsoft technology, Farmers is now able to handle an entire claim electronically — the customer report of an accident, the repair shop estimate, approval by the carrier, assignment of work and payment processing. The Microsoft .NET Framework provides the foundation of the automated Web-based solution that enables Farmers to monitor repair facilities remotely, eliminate manual handoffs, reduce cycle time and make the claims-settlement process more satisfactory for customers.

<http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=52906>

Fireman's Fund

Service area: Claims processing

Technology: Microsoft .NET Framework

Fireman's Fund Insurance Company selected Accenture Microsoft .NET-based technology as the platform for processing its insurance claims.

"We believe a high-performing claims system is one of the critical paths to customer satisfaction, growth and profitability," said Paul Stachura, chief claims officer, Fireman's Fund.

Accenture Claim Components Solution currently helps process approximately one-third of all property and casualty insurance claims in the United States.

http://accenture.tekgroup.com/article_display.cfm?article_id=4497

IMS Claims Services

Service area: Catastrophic claims management

Technology: SQL Server, Reporting Services, Tablet PC

IMS handles approximately 500 claims per month, but that figure can soar to 15,000 or more when a hurricane or other disaster strikes. For a faster and more accurate way to handle insurance claims adjusting, IMS turned to Hawkins Research Inc.'s PowerClaim and its XML-based property-estimating software.

PowerClaim XML enables claims adjusters to prepare estimates, complete with photo sheets, diagrams and captioned reports, on Tablet PCs or laptops in the field, as well as on desktop PCs in the office. Using SQL Server 2005 as the solution's database gives IMS executives access to real-time reports created with SQL Server Reporting Services that show productivity indicators for each adjuster, as well as performance indicators for the business overall.

<http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=201020>

Additional case studies can be found at the following sites.

SERVICE AREA	TECHNOLOGY	COMPANY	LINK
Information management	SQL Server and SQL Server Analysis Services	Hiscox	http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=52000
End-to-end insurance management solution	Integrated Microsoft-based solution	IF Latvia	http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=49654
Customer service	Microsoft .NET, SQL Server	MUA Insurance of South Africa	http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=53529
Data security	Microsoft Identity Integration Server (MIIS), SQL Server	Swiss National Accident Insurance Fund (SUVA)	http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=53470
All-digital information	All-Microsoft platform, including BizTalk Server, Exchange Server, and MapPoint® .NET	Vereinigte IT-Abteilung (VITA)	http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=49497
Risk management and claims support	SQL Server 2005, SQL Server 2005 Express Edition	Zurich North America Commercial	http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=200943

Conclusion

Customers who have deployed end-to-end Microsoft solutions have realized dramatic improvements in claims processing: lower development costs, smooth implementation of new technology, more efficient workflow, faster processing and more sophisticated data analysis. Microsoft-based solutions have measurably and significantly improved efficiency throughout the business, significantly reducing the costs associated with claims processing and increasing customer satisfaction and retention.

In addition to comprehensive claims-processing systems, Microsoft technologies provide solutions that address specific areas of claims processing. Applications built on the Microsoft .NET Framework integrate legacy applications at a lower cost than J2EE. Windows Server provides faster claims processing than mainframe systems and at a far lower cost. Microsoft SQL Server with business intelligence simplifies the task of finding, using and sharing claims data across disparate systems. Windows Mobile support for Smartphones and Pocket PCs extends the field as far as it needs to go.

There is no single answer to improving claims processing with the help of technology. Nor is it necessary for companies to commit to a restrictive consult/build/operate relationship with a sole third party. "We're all about the power of choices, regardless of whether an insurance company needs a single-point solution, a multi-point solution or a full claims-platform solution, and whether they develop it in-house, with partners, or outsource," said Don Canning, industry manager for solutions, Insurance, Worldwide Financial Services at Microsoft.

In an increasingly competitive market, and in a world where emerging technologies allow unprecedented access to information in any form, insurance carriers who develop strategies for updating both their claims-processing technology and their business processes will achieve the greatest success. Microsoft-based solutions — a set of powerful, integrated and proven applications — directly and powerfully support these goals, in systems working today and into the future.

Appendix: Partners and Partner-Led Solutions

Microsoft works with a large array of Insurance Value Chain partners to create claims-processing solutions based on Microsoft products and technologies. A few are listed below. A complete list and contact information can be found at <http://www.microsoft.com/industry/financialservices/insurance/partners/default.mspx>.

CAPABILITY	COMPANY	LINK
Responsiveness	Symbility and Allstate Canada	<p>Symbility: http://www.symbilitysolutions.com/news/news_070505.html</p> <p>Allstate Canada: http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=53697</p>
Workflow	IMS & Salentica	<p>Salentia: http://www.salentica.com/SalenticaClaimStation.aspx</p> <p>IMS: http://www.microsoft.com/casestudies/casestudy.aspx?casestudyid=201020</p>
Core operations	Accenture & Insurity	<p>Accenture: http://accenture.tekgroup.com/article_display.cfm?article_id=4497</p> <p>Insurity: http://www.insurity.com/main.asp?cat=3</p>
Fraud detection and prevention	ProClarity and Injury Sciences	<p>ProClarity: http://www.solverusa.com/docs/ace_insurance.pdf</p> <p>Injury Sciences: http://www.injurysciences.com/Documents/1-3555868E.pdf</p>