# Insurance

In the insurance industry, customers are looking for easy access to coverage and service through multiple channels. Agents are expecting faster turnaround times and higher customer service. In global markets, providers need to offer customized products and services to unique market segments and demographics – many of whom are first-time insurance buyers. Despite the call for increased customer service, insurers must still find a way to reduce cost.

To be successful in today's landscape, insurers need the ability to innovate and streamline business and operational models. Insurers should also be able to harvest, share and reuse best practices in their processes to seize business opportunities. Yet the complexity of legacy systems and number of product and regulatory requirements can make these goals seem daunting.

**Automate, Optimize and Integrate Processes**
Rather than reducing the need for technology solutions, the current global financial environment increases urgency for insurers to restructure processes in a shareable, reusable fashion. BPM addresses this need by enabling them to:

• Improve control and optimization of claims processing through: modeling and simulation, automating tasks and streamlining human workflow tasks.

## 24 points:
Gap between insurance CEOs who recognize need for change and those with successful records of implementing change.

Source: IBM Global CEO Study, 2008

# Business Process Management

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- Track each claim in the process to ensure compliance with service level agreements.

- Improve visibility and reduce processing time with dashboards and alerts that show the status of claims as they move through the claims management process.

- Provide agents and brokers a seamless way to get quotes and issue policies to clients.

- Improve automation of the new business process through modeling and simulation, task orchestration and systems integration.

- Provide a uniform and consistent level of service regardless of the channel used.

- Improve both speed to market and consistency of service through dynamic process automation based on service-oriented architecture.

- Develop processes and systems to roll out products that meet specific customer needs more quickly and adapt to local market conditions.

Using BPM, a large global life insurer yielded a savings of approximately $40M per year by building reusable service components – a 50% reduction in cost!

Another insurer implemented a real-time quote system using automated underwriting rules selection. This BPM solution enabled an increase in the number of quotes by 65%.

**Automate and Manage Decisions**
With the help of IBM Business Rule Management Systems, insurers can automate key decisions throughout core processes and across lines of business.

- Automate underwriting process for commercial lines. Achieve straight-through processing (STP) and get significant speed to market gains and increase in new business flow.

- Use business rules in claims processing to reduce case assignment and rules change times in order to start saving immediately.

- Enhance fraud detection capabilities and reduce the time to survey claims from weeks to one day.

Business process management software and services from IBM can help insurers optimize business performance by discovering, documenting, automating, monitoring, and continuously improving business processes to increase efficiency and reduce costs.

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**Speed Time to Value with IBM Insurance Industry Accelerators & Frameworks**
IBM Insurance Content Pack offers prebuilt, insurance-specific assets to accelerate and enhance BPM solutions in areas like: product management, distribution policy lifecycle, claims lifecycle, and customer management. The claims status solution scenario serves as a starting point for solution implementations. It is based on industry standards including Association for Cooperative Operations Research and Development (ACORD), European Insurance standards (eEG7) and the IBM Insurance Application Architecture (IAA). The IBM Insurance Content Pack is a core offering of the IBM Insurance Process Acceleration Framework, IBM's common architectural approach for insurance solutions.

The IBM Insurance Process Acceleration Framework helps you build a configurable industry-specific software platform to deploy solutions faster and at lower cost and risk. This framework can help you migrate to a more strategic and flexible technology architecture that is aligned with the needs of your business, one project at a time. Increase your competitiveness by taking advantage of a structured approach that combines best-in-class insurance software assets, repeatable software patterns and IBM Business

Partner offerings for improved distribution, claims management, policy administration, underwriting, and customer service.

# Business Process Management

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