Business Process
Management

Content/ Document
Management

Operations Improvement

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Document Management for Insurance Firms

**Insurance firms are finding that pushing paper is no longer a preferred way of doing business.**

When evaluating your readiness to pursue a DM solution, ask yourself these questions:
- Are employees constantly searching for files?

- Does your organization look more like a paper storage facility than an office?

- Are you looking for ways to improve customer service?

- How much are you spending on offsite paper storage?

- Do you need to streamline processes to keep competitive?

- Are you struggling to keep up with recent compliance regulations?

- Would you sleep better at night knowing that your corporate information is protected from fire, disaster, or a runaway sprinkler?

Insurance companies are notoriously paper-intensive. Agencies must deal with mountains of paper in the form of contracts, policies, applications, claims forms, faxes, and more. These piles of information present an enormous area of clutter; and where there is clutter, there are hidden costs, a heightened chance of mistakes, and a greater likelihood of disappointed customers.

Document Management (DM) and Business Process Management (BPM) technologies that were once available only to firms with an enterprise-sized budget is now being adopted by many small and mid-sized organizations. Once monolithic and complicated, many DM software solutions today are designed for and targeted at department-sized processes. As a result, DM has become more intuitive and user-friendly, no longer requires a staff of computer programmers to install, and is available at price points that won't break your bank account.

There are many DM solutions to choose from. Each touts greater productivity and reduced document costs. But what makes a solution stand out? What are the benefits and
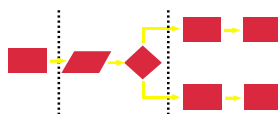
risks that you should consider? How have other companies used DM to make a difference for their organization? How does BPM fit into the mix?

Costs, Customers, and Compliance
Regardless of what industry you currently operate in, you're undoubtedly reliant on paper. But nowhere is the paper push more prevalent than in the insurance industry. Policy data, claims information, billing records, correspondence, applications, and many other key documents continue to be primarily paper-based in most organizations. These paper documents drive the key work processes of any insurance firm. What would happen if paper documents were to be suddenly eliminated from your organization? Which inefficiencies would be addressed? How much money would be saved?

Like any business, insurance companies must control costs in order to stay competitive. Competitive firms also strive to gain ever-greater efficiency in managing the vast amount of information that flows through their work processes. Agencies must also have quick and complete access to information in order to meet the needs of a diverse clientele and maintain or exceed customer expectations. Insurance firms must also minimize potential risk and loss associated with litigation and compliance. Recent regulations such as HIPAA, the Patriot Act, Graham-Leach-Bliley, and SEC 17a-3 and 17a-4 have imposed new requirements and controls over the access, storage, and retention of confidential documents and information.

What is Document Management?
Document management, as its name implies, is a software solution aimed at assisting organizations in managing documents. Capturing paper documents via a scanner, and storing a digital image in lieu of a paper copy can provide a more efficient means to retrieve, route, and store your key documents. This can be an important improvement if your firm struggles to manage the paper burden of your daily workflow.

While potentially eliminating the need for banks of file drawers or shelves of off-site storage, DM systems also provide advanced search capabilities and a level of security that is simply not possible using paper files. Searching and securing information is key for any size insurance firm, and, for organizations with existing databases and applications, DM systems help to better manage and integrate information across an entire enterprise.

Studies have shown that a typical office worker spends 30 percent of a workday just searching for documents, taking away from time available to actually make use of the information. Indeed, many industry analysts warn that organizations that fail to formulate some sort of DM strategy will find themselves at a serious disadvantage. By utilizing digital document storage and database-driven searches and queries, even the most humble agency can compete with the big boys in terms of maximizing their access to information and minimizing the cost to use and store critical documents.
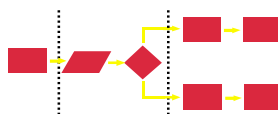
Consider these questions: Have you ever struggled to find a document that you knew you had somewhere, needed it right now, but you could not find it? Do you have documents overflowing in your storeroom, scattered around people's desks, or filed in an off-site location? Do you have access to an original contract, but can't find the associated addendums?

In short, document management is an organizational method. To some, document management is ensuring that all papers are filed appropriately after a purchase order is filled. To others, document management is tracking an application from submittal through refusal or acceptance. Others see document management as a way to scan, index, manage and view documents electronically. While very different, all of these tasks are forms of document management.

Document management is a broad term that need not apply only to documents. Depending upon needs, document management also applies to email messages, reports, images, faxes, electronic/digital signatures, computer files, electronic forms, etc. Having a system in place to organize all these important aspects of daily business is the goal of document management.

For some organizations with overwhelming paperwork, file cabinets are the solution. However, when other formats creep into the picture, such as email messages, what to do? You could print them and file them away, too. What about that 300 page report you just received? What about that color image of that insurance claim? What about the contact forms Marketing just placed on your website? What about having redundant copies of all files? As you can see, document management needs can vary dramatically and be very demanding.

I've often heard that "Organization is the key to success." Effective document management helps companies become better organized. For example, effectively organizing documents makes retrieval faster. This makes employees more productive, as they spend less time searching for what they need. This makes customers happier, as they get what they need faster.

What is Business Process Management?
Performance Improvement would like to discuss the technology capabilities of BPM in person. Can we arrange an information meeting to share ideas and educate you and others on both DM & BPM?