

COUNTRY Uses Siebel Insurance and UAN to Streamline Claims Processing and Simplify Business Integration



COUNTRY Insurance & Financial Services is known for its outstanding customer service. While the company had been using Siebel Insurance to manage customer service activities, its claims handling was supported primarily by older, inflexible mainframe systems. In early 2004, the company implemented a Siebel solution for claims management, which has improved the efficiency of the claims handling process by nearly 25 percent. Integration of the Siebel solution with the company's business systems, as well as future upgrades of Siebel platforms, are being simplified by Universal Application Network (UAN) and IBM's WebSphere Business Integrator—with expected productivity gains of up to 40 percent.

COUNTRY Insurance & Financial Services, together with its alliance partners and approximately 2,000 agents across the United States, provides individuals and families a wide range of insurance and other financial products and services—from auto, home, and life insurance to investments and estate planning. Headquartered in Bloomington, Illinois, COUNTRY and its partners serve approximately 1 million households and businesses—writing insurance policies with premiums of more than \$2 billion annually and managing over \$9 billion in assets.

COUNTRY prides itself on superior customer service and extraordinary responsiveness. The company does not use automated voice response units with lengthy menus and canned music while callers wait endlessly on hold. “When the phone rings, we answer it,” says Robert Turnbull, Director of Information Systems at COUNTRY. “We ensure that customers can get in touch with us whenever they need us.”

COUNTRY had been using Siebel Insurance to manage customer service inquiries within several of its business units. In its claims group, however, the company primarily relied upon several older, inflexible, and expensive mainframe-based systems—with the Siebel solution playing a very limited role. As a result, while service was typically responsive, it was highly inefficient.

“To get policy information, the claims adjuster would have to navigate across several different systems and print paper files from a mainframe screen application,” Turnbull recalls. “The Siebel solution provided basic activity management, but the claims adjusters received no prompts to guide them. They had to adjust and manage the claim on their own.”

SOLUTION OVERVIEW

COUNTRY Insurance & Financial Services

Providing insurance and investment products and services to retail and business customers

Industry

Financial Services

Geographies

United States

Business Challenges

- Lack of flexibility and high cost of ownership for mainframe-based claims systems
- Need to improve efficiency in managing claims handling process
- Requirement to integrate a number of homegrown business systems with Siebel solution

Solution

Deployed Siebel Insurance and Universal Application Network

Benefits

- Better flexibility and reduced cost of ownership through Siebel solution
- Improved efficiency in handling claims by up to 25 percent
- Streamlined business integration and increased development productivity by as much as 40 percent
- Reduced development risks and long-term cost of ownership

Solution Components

- Siebel Insurance
- Universal Application Network (UAN)
- IBM WebSphere Business Integrator (WBI)

Database: IBM DB2

Hardware: IBM

“Our objective is that everything—from the moment the claim is reported until we work it through to completion—will be handled through Siebel.”

—Robert Turnbull
 Director of Information Systems
 COUNTRY Insurance &
 Financial Services

Moving More Claims Handling to Siebel

In April 2004, COUNTRY implemented a new solution that relies on Siebel Insurance to handle virtually the entire claims process.

For the majority of claims, once the notice of loss is received, IBM WebSphere Business Integrator (WBI) extracts policy information from the company’s legacy systems and feeds it into Siebel. This information is then linked to customer records that are part of the Siebel application, and adjustors within the call center environment use the Siebel solution to track each activity until the claim has been settled. Only activities such as fraud investigation, litigation, and medical management are handled outside of the Siebel solution, and COUNTRY is working closely with the insurance group at Siebel to get those capabilities added to the solution in the future.

“Our objective is that everything—from the moment the claim is reported until we work it through to completion—will be handled through Siebel,” explains Turnbull. “The Siebel platform also puts our supervisors in a much better position to monitor the progress being made on claims, set service metrics, and make follow-up calls if needed.”

As the full Siebel solution gets implemented across the entire claims group, COUNTRY expects to see a significant increase in claims handling efficiency—without impacting its current three-day average turnaround or high customer satisfaction. “We should see an improvement in efficiency in the neighborhood of 25 percent,” Turnbull estimates. “This will enable us to take on that much more business with the same number of full-time equivalents.”

Building Business Integration through UAN

To reduce the cost, complexity, and risks associated with the process of integrating its homegrown claims systems with Siebel Insurance, COUNTRY is using Universal Application Network (UAN)—a standards-based, services-oriented architecture for business integration developed by Siebel Systems in collaboration with other leading technology companies.

UAN provides a common object model and other processes that simplify business integration and will also help streamline the company’s phased upgrade from Siebel 6 to Siebel 7.7, planned for 2005. By using UAN’s predefined common object model, the company expects to save a tremendous amount of time and money.

“You could spend several thousand hours designing and implementing your own common object model,” explains Scott Frazier, Manager of Information Systems for COUNTRY. “In addition, we’ve got partners such as Siebel and IBM supporting and helping us to work through any challenges that we might face. We’re not out there on our own.”

Productivity Gains of 40 Percent

Beyond providing common object models, UAN also contributes to a number of processes that can streamline business integration and deliver extraordinary productivity gains. These include synchronization processes designed to synch one version of Siebel to another as an organization upgrades its systems over time.

Even when UAN is not specifically involved, it still can enhance the integration process. “For example, we may need to integrate our billing system with, say, the agent portal,” Frazier says. “Even though UAN isn’t used directly, that integration will be created through the common object model. It’s essentially a hub-and-spokes design. Once we build one of the integration spokes, we only have to build the other side of the interface to integrate another process in the future.”

The productivity gains can be as high as 40 percent, according to the latest estimates from Gartner Group. For COUNTRY, that figure was confirmed right away.

“By using UAN and IBM’s WBI for our claims project, we were able to develop the first major interface and have it working within approximately ten weeks,” notes Turnbull. “Without that off-the-shelf technology, it could easily have taken twice as long. Future upgrade costs will be further reduced.”

Finishing On Time and Under Budget

The claims project required in excess of 23,000 person-hours to complete. But with Siebel’s help, the project was delivered on time and slightly under budget, according to Frazier.

“The Siebel platform has the ideal infrastructure for efficient, cost-effective development,” Frazier remarks. “We’ve been working with Siebel software since 1999, so we have the skill sets that we need in-house.”

Adds Turnbull, “We were very diligent with our project management. With all the development that we do, we always start with a clear business strategy and process modeling before the first line of code is written.”

As for the upgrade from Siebel 6 to the Siebel 7.7 platform, COUNTRY expects the new version to make it easier to deploy solutions to field offices due to significant reductions in the network bandwidth and roundtrips required. In addition, Siebel 7.7 provides powerful capabilities such as enhanced process automation that will help guide customer service representatives through the correct process based on call type.

“We believe with Siebel 7.7, we can also obtain another up-tick in efficiency,” Turnbull notes. “This will shorten call times and further improve our ability to provide exceptional service to our customers.”

“By using UAN and IBM’s WBI for our claims project, we were able to develop the first major interface and have it working within approximately ten weeks. Without that off-the-shelf technology, it could easily have taken twice as long.”

—Robert Turnbull
 Director of Information Systems
 COUNTRY Insurance &
 Financial Services

Customer's Implementation Advice
<ul style="list-style-type: none"> • Develop a good business case and secure the support of senior management • Do a detailed assessment up-front and lay out a clear strategy for the project • During the upgrade, focus only on the planned projects—don't get sidetracked by additional enhancements • Don't go it alone—get Siebel and other partners to help



www.siebel.com

World Headquarters

Siebel Systems, Inc.
2207 Bridgepointe Parkway
San Mateo, CA 94404
United States
Tel: 1-800-647-4300
Tel: 1-650-295-5000
Fax: 1-650-295-5111

Europe

Siebel Systems UK Limited
Siebel Centre
The Glanty
Egham, Surrey TW20 9DW
United Kingdom
Tel: 44-0-1784-494900
Fax: 44-0-1784-494901

Asia Pacific

Siebel Systems Australia
Level 1, 80 Pacific Highway
North Sydney, NSW 2060
Australia
Tel: 61-2-9012-3100
Fax: 61-2-9012-3333

Japan

Siebel Systems Japan K.K.
Ebisu Prime Square
1-1-39 Hiroo, Shibuya-Ku
Tokyo, 150-0012
Japan
Tel: 81-3-5464-7700
Fax: 81-3-5464-7702

Latin America

Siebel Systems Brasil Ltda
Av. Nações Unidas, 12.901
20 andar - Torre Norte
04578-903 - São Paulo - SP
Brazil
Tel: 55-11-3444-0450
Fax: 55-11-3444-0666