



EMPIRE FINANCIAL GROUP

New Business Processing Solution Supports Centralized Processing, Regional Service

Imagine that you have more than 200 employees using three different admin systems to support life insurance business in two different languages at three locations separated by hundreds of miles. It sounds like a recipe for operational chaos and an unacceptably high cost of doing business, but not at Empire Financial Group where ECM (enterprise content management) technology has made it possible to centralize processes without compromising the unique underwriting and customer service skills available at each location.

One of Canada's top 10 insurance companies, Empire has \$4.6 billion in assets and 2003 revenue of \$669 million. Empire is headquartered in Kingston, Ontario, and serves more than 270,000 individual clients, 4,000 group employer clients with 90,000+ certificate holders and 400 group retirement plans. To remain a competitive option for its customers and more than 5,000 independent advisors, Empire began to evaluate how content management technology could support restructuring operations, reduce expenses and increase productivity.

One of the greatest challenges posed by geographically diverse locations in Kingston, Toronto and Montreal is sharing information from a variety of sources. When Empire began looking for a solution in 2002, it was managing 2,700 open files a day and relying on photocopying and couriers to get applications and other documents from one place to another. This created a back up in assigning work to underwriters and wasted time locating important files.

Initially, Empire intended to scan documents during the process and rely on a document

imaging system as an accessible archive. "Once we saw and understood that the capabilities of existing technologies could handle a greater scope, our mandate changed," says Laurie Belisle, Project Manager at Empire.

After evaluating content management vendors, Empire selected authorized OnBase solution provider ImageSoft, Inc., based on its ability to implement a content management system with workflow that met all of Empire's requirements. OnBase is enterprise-class software that combines integrated document management, business process management and records management in a single application. The solution offers single vendor support for a system that can share data with other systems, offer fast retrieval of documents and be customized to the way users work. Other factors considered when selecting ImageSoft's OnBase solution were experience with other insurance companies, lower total cost of ownership and the ability to support regulatory and auditing requirements.

Centralized Solution Supports Distributed Workforce

All documents such as new business applications are now sent to the mailroom at the Kingston headquarters, where they are sorted by line of business (e.g. individual vs. employee benefits). An average of 15,000 documents a day are sent to a mail imaging center where they are separated into one of 50 document types (e.g. new business application, correspondence, etc.) and scanned with an Eastman Kodak 3520 document scanner equipped with an imprinter.

Ascent Capture software from Kofax Imaging Products, Inc. provides database validation capabilities, automatically pulling and validating indexing information against a customer and policy database downloaded

AT A GLANCE

By restructuring its business processes and implementing technologies that automate labor-intensive work activities and provide secure universal access to documents for employees at three locations, Empire Financial Group has increased capacity for New Life Business by 40% and reduced cycle times by 43%.

BENEFITS

- 40% increase in capacity
- 43% reduction in cycle times
- Supports centralized processes and regional underwriting and customer service
- Virtually eliminated document shipping costs
- Decision-based workload balancing directs files to the appropriate employees
- Improved document security and business continuity
- Online decision sheet reduces data entry, increases accuracy, provides visibility

APPLICATION

- Application Review
- Mail
- Records
- Legal
- Data Entry
- Policy Settle/Issue
- Case Coordinators (Call Center)
- Audit
- Claims

ONBASE SOFTWARE

- Document Imaging
- Workflow
- Document Import Processor
- E-Forms
- EDM Services
- COLD/ERM

COMPLEMENTARY PRODUCT INTEGRATIONS

- Eastman Kodak 3520DP and i620 document scanners
- Kofax Imaging Products, Inc. Ascent Capture software
- emFAST Inc. FacSys fax server

from the three admin systems. In the future, Empire plans to implement Ascent's bar code recognition to further minimize indexing labor and has bar coded all of its new business applications with a policy number.

OnBase can accommodate electronic documents from virtually any source. For example, Empire may also receive documents by e-mail. In the event that the e-mail correspondence doesn't include a policy number, it is sent to a Match Mail process. Based on a client's name captured from the document, for instance, the user is presented with a list of potential policy matches and can verify the correct one. In the future, Empire is planning to implement the OnBase COLD/ERM module to automatically import and index medical information from third-party suppliers.

Requests for information include a policy number, so any mail that arrives before the application is scanned goes to a workflow queue and will be matched by this common keyword with the other documents once received. "In some situations, most of the information needed for underwriting is already in OnBase by the time the application is received," comments Ms. Belisle. That means that once the application arrives, the underwriting process can begin quite rapidly and a decision made more quickly.

Like other workflows at Empire, the underwriting workflow includes decision-based work balancing to assure that files are pushed to the appropriate employees with the knowledge to complete them. The routing code for a policy is based on a set of nine criteria including factors such as language and line of business. Once a policy is underwritten, it is automatically sent to another group to update the appropriate admin system with rating information and perform a final quality assurance check before it is issued and the contract sent to the client.

To assist in their risk assessment, underwriters use an online XML-based decision sheet that is

used to document activity. Through the use of VB scripting and a data hub, the decision sheet provides a single front end for the underwriter to pull / push data from / to the three admin systems. This eliminates the need for double entry into both the admin system and the decision sheet. Because underwriter notes are now typewritten and validated, accuracy and legibility are also increased. This decision sheet is stored in OnBase as XML, displayed using a style sheet and included in the customer file as an archive document. It is also a part of the OnBase Workflow, as it can trigger various actions and can remind users to follow up or take some other action after a given period of time.

Exceeds Productivity Goals

The OnBase solution took approximately four months to implement, and Ms. Belisle estimates that the learning curve impact was about six weeks for the 200 users. However, in conjunction with the operational advantages of restructuring and other business effectiveness initiatives, many of which were enabled by the use of OnBase Imaging and Workflow, the company has increased capacity by 40% and reduced cycle times by 43%.

OnBase Workflow has also provided Empire management with better visibility into the process. A graphical interface makes it possible to see how many documents are in workflow queues and identify bottlenecks. The use of timers and notifications help ensure that documents don't fall through the cracks and company policy standards are being met. For example, if an applicant required additional documentation because of a high cholesterol reading, the file would be set aside and reactivated in the workflow when the supporting documents arrived.

Multiple employees can simultaneously access documents, allowing an underwriter at one location to work on a file while a customer care representative at another location pulls up a read-only version to answer a customer or advisor inquiry. Reducing cycle times and

improving response times supports initiatives to increase customer and broker satisfaction while increasing cash flow.

Empire's mission statement promises that "With a primary focus on the customer, we will be known for the ease of doing business with us, our responsiveness and the excellence of our service." OnBase shares that vision and is committed to developing technologies that help thousands of organizations like Empire deliver on that promise.