



Capital City Insurance

// case study:

MAJOR GAINS SEEN WITH SCALABLE APPROACH TO AUTOMATION

As a corporate culture, Capital City values people over technology, but they were also aware that there were huge gains to be made in efficiency and accuracy if the underwriting department transitioned to an automated system. In 2000 Jim Skiff, Vice President of Operations and Mitch Draper, Assistant Vice President of Information Systems, teamed up to begin the process of shifting Capital City to an automated system. Their underwriting department was a perfect place to start because they were physically handling an overwhelming amount of documents. There was a great opportunity to improve speed of document handling and accuracy of information management.

Sending physical files back and forth between the two remote offices was time consuming and inefficient (at the time, there was a second remote office in Charlotte). With imaging, the needed documents could be scanned once, electronically distributed, and be made accessible all the time through the network - saving a great deal of time and money.

The system developers at Capital City had a “big picture” plan, but “knew the system needed to be introduced in small steps so people would be comfortable and the transition would be done right,” said Skiff. The two main drivers for the project, Draper and Skiff, have experience with the preparation and use of imaging systems. The goal was to plan the system thoroughly so that glitches could be addressed as they came up in the planning, not down the road during

implementation where they would have a worse impact. For Capital City it was better to utilize a scalable solution that allowed them to build a larger solution with small building blocks. “You eat the elephant one bite at a time,” said Skiff.

Big Picture Small Steps

Capital City was adamant about making sure their underwriting team was on board and involved in the development of the imaging process. Workflow was implemented and fully functional while a legacy system business application was in development. As files were “touched” they were scanned into the system. With the significant volume of files, it made sense to scan a file as it was being used instead of trying to scan all older files into the system in a single effort (paper back file conversion). Once the file was scanned in, it was indexed and stored appropriately.

Scalability is an important part of a KeyMark solution and is well utilized at Capital City Insurance. As the business application was being developed a direct bill process for an assigned risk book was being handled manually. High demand proved the manual process to be too cumbersome and subject to error. The business application for the billing system was expected to be fully functional within four to six months, but actually took nine months to implement. Temporary workflow allowed the system’s scope to expand for future development and alleviated the time and accuracy problems that were experienced in the manual process. The use of temporary workflow allowed extensive testing of the new business

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Capital City at a Glance

Capital City Insurance Company is a multi-line commercial casualty insurance company operating in 18 Southeastern states. Founded in 1985, they offer all commercial coverages including workers’ compensation, commercial package, commercial auto and umbrella. In addition to serving other industries they offer a unique specialty program to the forestry industry covering workers’ compensation, commercial auto and general liability.

Technology

- Microsoft on the servers and desktop
- Microsoft for e-mail and database management
- IBM iSeries for WINS legacy system
- Insurity Commercial Intellisys for policy rating and production
- WINS for policy, claims and financial administration
- OnBase for imaging, workflow and reports management

application programs before deployment, which led to a smooth and effective implementation.

Capital City also needed a way to implement an automated audit request cancellation when a policy was reinstated. The system was able to produce audit requests when a policy would cancel in addition to reinstatement notifications that would then automatically file in OnBase. Limited function workflow was developed that matched incoming reinstatements with pending audit requests. When a match is made, workflow generates an audit request cancellation with no human interaction.

From there, Capital City expanded the project so all correspondence was systematically stored within the system which reduced about 85% of actual scanning. The integration of processes between different systems helped Capital City avoid the loss of data between systems. Now, once a document is received, either by fax or electronically to the desktop, it is then sorted and filed in the system without any manual scanning. RightFax is used as the corporate digital fax system and is integrated with OnBase for document filing and workflow inclusion. Insurity's Commercial Intelligence produced documents are automatically filed into OnBase and available to all departments within the company. Lastly, a myriad of systematically produced documents from the policy administration system, WINS, are filed into OnBase through report management and, when needed, sent to workflow queues for additional processes.

Looking Back

The overall implementation of imaging at Capital City was successful and the employees, although they were hesitant to lose the physical access to paper, have all embraced the new system. Capital City worked hard to ensure their workforce was comfortable. They offered small desktop scanners for people to use if they wanted them, as well as dual monitors. They also took into consideration people's eyesight and the ergonomics of their work space. Skiff's people-focused philosophy was instrumental in the success of the overall implementation. "You can't take a heavy handed approach with this sort of implementation, you have to answer to your people, you have to meet their needs," said Skiff.

Looking Ahead

Other business units such as the Loss Prevention and Safety group, and the Excess and Surplus line, have embraced and implemented imaging and workflow. The IT department images contracts, insurance agreements and all their purchasing documents. The HR department scans all incoming resumes, or if they are electronically received they are automatically stored in the system. Now if they are looking to hire for a specific position they can do a search in the system and every candidate with relevant experience is displayed. There are also future plans to begin imaging in other departments beginning with Finance.