

# Business Case Supports Claims Improvements

## Background

A multi-line, regional insurance provider recognized the need to evaluate its claims process for potential improvements to gain competitive advantage. The claims team had not evaluated a technology solution and the company leadership wanted to know what the potential value of any claims improvements (technology independent) would be.

## Business Challenge

Although their claims process was not inherently broken, the client realized their competitive positioning depended on their ability to reduce costs while maintaining their valued commitment to service and results. Before making any investment, they needed to create and assess the business case for any improvements in their claims function as well as define a roadmap for future growth.

Blackwell Global, engaged by the COO and CCO, was brought on to assess the company's claims business operations, organization and technology landscape in order to determine the level of investment that could be justified to drive specific business outcomes. A prioritized roadmap was also required.

## Blackwell Global's Approach

Blackwell Global conducted a seven-stage evaluation, beginning with an assessment of the current state, definition of the future state and an analysis to determine how desired outcomes could be achieved.

These recommendations were modeled to determine what needs to change, resulting in a framework that could be used to help the stakeholders arrive at the best decision for the business, together.

Recommended initiatives included:

- **Managing claims renewal** by developing claims vision and strategies, developing and implementing performance model, moving toward functional centralization and developing a change management program
- **Improving business architecture** by creating an FNOL call center, improving property loss management, improving DRP management, evolving litigation practice and implementing claims process enhancements.
- **Enhancing use of technology** through aligning claims and IT strategies, enhancing the document management system, optimizing user experience for the future state, determining and implementing new claims system solution.

Blackwell Global established the high-level requirements that had to be delivered by potential solutions in order to be considered in future project processes.

## Business Results

In developing the business case framework, Blackwell Global found significant economic benefits could be achieved in the future state. The NPV of the recommended renewal initiatives was \$385.7 million over an eight-year planning horizon. Additionally, Blackwell Global found that by focusing on the claims experience, the company may also improve retention rates.

## About Blackwell Global Consulting

Blackwell Global Consulting, a CGN company, is a premier management and IT consultancy. Headquartered in the Chicago metropolitan area, the firm provides services in technology enablement, strategy development and outsourcing to global clients.

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