

ATICS Guide for Managers

A companion guide for managers responsible for introducing and overseeing the ongoing use of ATICS within a travel insurance claims operation.



rightpath insurance solutions ltd

"the rightpath to excellence"

ATICS Guide for Managers

ATICS is a cutting-edge technology allowing a fundamental shift in how travel claims can be managed. It represents a means to provide phenomenal savings for your business, enabling your claims department to run effectively and delivering an outstanding service to your customers.

We want you to make the most of this opportunity and this document is written as a companion for all Manager's responsible for implementing or managing the use of ATICS. It is designed to help you focus on ensuring that you and your team add as much value to the claims process as possible and leverage all of the many benefits ATICS provides.

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Chapter 1 – Focus and prepare for results

Investing in a system that gives you an extremely strong competitive edge but failing to maximise those benefits is a wasted opportunity.

Understand the benefits of using ATICS and focus on delivering them.

Our first suggestion is to understand the benefits ATICS offers you. If you have not already seen it, we propose you read our whitepaper '*Expert Systems in Travel Claims Management*' in order to gain a comprehensive understanding of all the benefits to be derived from this technology. It can be requested through your Account Manager or the Support Team: support@rpsolutions.com



Get your benchmark before introduction.

We suggest that you resist the temptation to go straight into introduction of ATICS without first being clear on your existing performance. We anticipate you being able to deliver significant improvements across many areas of your business and you want to be able to translate them into the cash savings for your business and to report on those to your Executive. You will only be able to do that if you have the initial base-line readings.

Measure all of your performance criteria e.g. claims leakage, recovery rates, man-hours spent on claims etc. If these aren't known ask questions and at least obtain estimates – it is better to have a well reasoned figure than nothing at all.

If you would like a list of base-line readings that could be used we suggest you also review the savings calculator that accompanies the whitepaper, the '*Savings Calculation Tool*'. This also can be requested from your Account Manager or Support Team.

Chapter 2 – Set-up the new team dynamics and support infrastructure

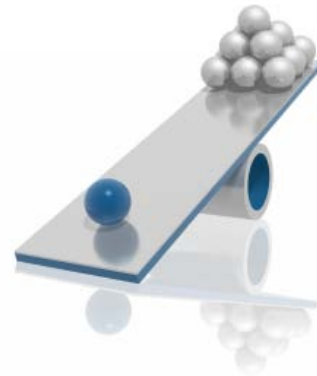
Recruit and support true service leaders

Traditionally, claims handling has largely been a technical role in an environment which for the customer in particular can be emotional. Good technicians are not necessarily good service staff and vice versa and recruitment policy up until using ATICS is likely to have been focused on recruiting good technicians rather than good service leaders. However, with ATICS reducing the dependency on technical claims management means your recruitment criteria can be changed to be more service-oriented. Make the most of it, and do it.



Support customer service with technical

One of the big gains is becoming able to be more dependent on strong customer service agents, rather than strong technicians. Leverage the strong technicians that you will already have by getting them to support a bank of customer service agents. The service agents can focus on delivering excellent customer services whilst the technicians address any technical referrals and ensure excellent technical output through their team. Also consider the decentralising of quality control so that the teams become responsible for their own technical output.



Internal ATICS expert(s)

Whilst ATICS is simple to use front-end, back-end it is an extremely complex web of business rules. It requires a continuing level of support to ensure it stays current and so that this ongoing support is commissioned as efficiently as possible it is sensible to have one person (or small group of people) responsible for managing this development.

1. This ensures that resources are dedicated to the development in the most effective way.
2. They will also filter any support queries that may get passed to Rightpath unnecessarily.
3. There will be greater consistency in the rules applied.



For these reasons it is worth considering the centralising of the management and development of ATICS to just one or (better still) two people.

Chapter 3 – Getting the process right

ATICS makes a significant change to the claims process and so you have to ensure you are adequately prepared for this change.

Be clear on what sits inside and outside of ATICS

Whilst you will find that the vast majority of your claims can be processed straight through ATICS you will also understand that there will be some (e.g. complex curtailments, large baggage claims) that are simply best handled by an expert. Therefore, you need to establish your rules for what you wish to drive through ATICS and what you don't.

Second, you need to communicate this to all your team to ensure that everyone is clear on what basis a claim should be processed.

Understand call volume saturation points

As you will be assessing claims over the phone, interviews will take place at one of two points:

1. When the customer initially calls in (inbound), or
2. When (and if you agreed) to call the customer back (outbound).

It makes sense to make claims assessments at the point of the customers' initial inbound call as this saves you the cost of the outbound call. However, you need to make sure that the number of assessments made on inbound calls does not prohibit the delivery of SLA's by tying your assessors up on calls. Therefore, you need to build into your process the ability to assess those inbound calls as they come but, in instances when this will leave you too few assessors to receive subsequent calls you need to switch to scheduling call back interviews.

For example, you may have a small team of 4 and if 3 were tied-up on inbound assessment calls you would only have 1 available to receive subsequent calls – this could leave yourself exposed to failing to hit SLA. So instead, you may decide to have a rule that if 2 assessors are on inbound calls the remaining 2 assessors will simply schedule call back interviews. The actual numbers you incorporate into your rules will depend on your call patterns and team sizes/structures so you need to work out what rule is best for your environment.

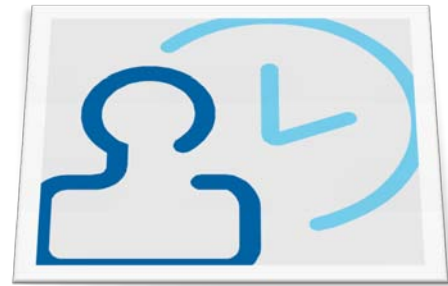
Prepare the customer for the interview

You will find that customers will call expecting to have a claims form despatched and so will be pleasantly surprised to note you can go through their claim with them over the phone. However, this does mean they are unlikely to be prepared (mentally) to recall the circumstances of the claim or have the documentation to hand. We therefore suggest that you first qualify the calls before proceeding with the interview. Do this by asking them whether now is a convenient time to discuss their claim and whether they have all their documents to hand. If not, either schedule a call-back or ask them to call back at their convenience.



Consider the demand for the shift in hours of operation

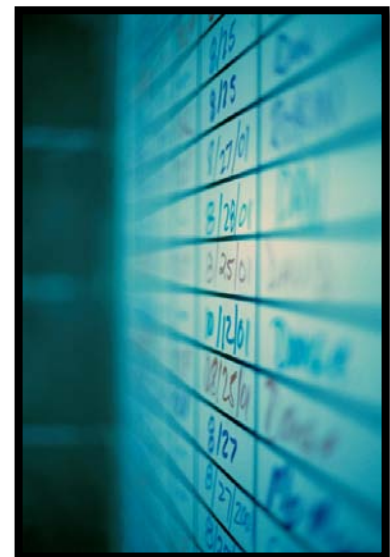
Whilst someone may be comfortable to call and request a claims form from their work desk, they may not be so comfortable discussing the ins and outs of a medical claim within that same environment. Therefore, it should be considered that the demand for call backs is likely to extend past the standard 9am-5pm. Initial tests would indicate 20% of customers would prefer call backs between 6pm-8pm.



This opens up an opportunity to readjust your staffing/shift pattern by reducing your core inbound call staff to supplement with later shifts for outbound calls. This shift would also allow you to tap into new recruitment markets such as working parents.

Set the staff performance targets and continually review

Historically calls were only used as a means for customers to call and request claims forms or to make checks and enquiries on their claim and SLA and performance management was only ever geared to this environment. However, with claims being assessed over the phone it is even more important to begin tracking and managing call performance of your assessors.



As well as being skilled on how to manage the call your staff should also be focused on performance targets for the calls they are expected to process. They can only do this if those targets are made clear to them. Therefore, set call performance targets and ensure staff are given the support needed to hit them.

However, we would also suggest you make clear at the onset that you are committed to continuous improvement and the targets are likely to be revised as the operation matures and your operation become more familiar with the new process. This will lay the platform for you to continue to push these targets to optimal levels.

Consider further efficiency enhancements

With a two-way XML feed between ATICS and your claims database, getting the systems to talk to each other is very easy. Make the most of this and look to work as many automations into the system as possible. For example, can next step actions or correspondence be wholly automated?

Map the process

Finally, remember 'a picture can paint a thousand words'. Once you have agreed the process map it. This will also become a useful starting point when it comes to looking to further streamline your claims process.



Chapter 4 – Quality control

Any one assessor is likely to be responsible for generating around £1million in claim payments each year. Getting these payment right is paramount and one of the key areas where value is added to the claims process.

ATICS is able to make a significant impact in terms of getting correct and consistent decisions, which should ultimately improve the bottom line. However, that is not to say quality control can be abandoned completely. Instead it needs to operate in a new environment and also focus on different areas:

Revise the quality control environment

The development of ATICS is ongoing and as this development will also involve the actual business rules there does remain the potential that an inadvertent error may occur within these rules. If left unchecked they may create claims leakage. When revisions to the ATICS programs are made you are advised; we would recommend that you check at this point that there have not been any adverse changes. Therefore, when new releases are made, your quality team should increase the intensity of their reviews of those claims exposed to the changes. Within this context there is focus on the business rules applied within ATICS.



Focus on data entry

ATICS removes the exposure to a lot of mistakes in terms of claims decision, however, it does increase the exposure to mistake based on poor data entry. Therefore there does need to be a shift within quality control to the accuracy of data entry which would also need to be cross-referenced to call recordings.



Chapter 5 – Fraud

ATICS is extremely effective at identifying high risk claims and is likely to increase the number of these claims brought to your attention. This means that your existing resources are unlikely to be sufficient to allow for proper investigation of all these claims. This presents you with a number of options:

1. Continue with current resources and fail to effectively manage these claims
2. Ignore them and let them continue within the normal claims cycle
3. Expand resources and optimize the cost benefit of managing these claims more effectively.



We would not recommend the first two options and in fact, with the FSA insisting the industry effectively manage their exposure to financial crime (fraud) this becomes even more unacceptable. However, with regards to the third option of bringing in further resources we would stress the need to demonstrate the anticipated return on this increased cost and then follow-up by a review of actual returns.

Chapter 6 – Prepare for ongoing development

ATICS is not considered a static development project as the environment it supports will always be in a constant state of change: Underwriters may decide to adopt a new stance, you may get a new policy wording or your Treating Customers Fairly stance may shift. You cannot allow your systems to prohibit you from making these necessary changes to process or decision and so there will always be an ongoing need to tweak the way ATICS manages your claims. The good news is that ATICS has been designed to be easily optimized.

Ensure stakeholders understand the development basis of ATICS

Not all of the stakeholders will appreciate these development dynamics so make it your job to ensure that they know not just what the system does and will be delivering for them, but also what ongoing support it will need.

Budget for ongoing development

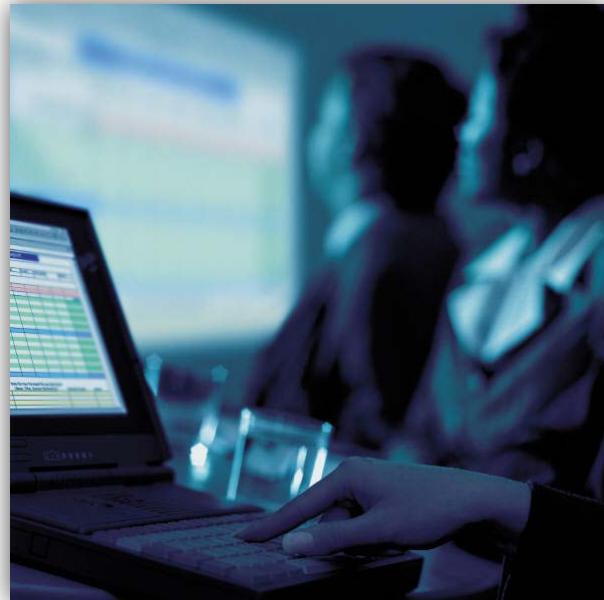
Simply because a budget is provided for certain costs does not mean those costs have to be incurred and as a manager, part of your role is to ensure your expense base is managed prudently. However, you also need to be able to respond to changing needs and if this requires even a slight change in rules you will have to ensure that this can be delivered quickly. If you don't, it is likely you will find yourself procrastinating and important changes won't get done, your output will be flawed which may lead to poor audit and leakage results. It is for this reason that we would recommend an allowance is set within your budget to provide you with these changes. We would also suggest parameters are set to allow certain changes to be commissioned without the burden of convoluted authorisation processes. Whilst controls are crucial, beware they don't throttle your business needs or impede the flexibility of ATICS.

Create communication channels for development needs

Not all ideas for developing ATICS will be a priority, however, it is still a good idea to ensure that these are recorded centrally and at least discussed with Rightpath. Often development work can be grouped together and costs reduced. If Rightpath are aware of your 'wish list' they can also take them into consideration at opportune moments.

Review regularly

We work in a continually evolving environment and it is easy for a change in underwriting guideline to be issued or new recovery opportunity to arise and ATICS not to be updated. For this reason it is worth conducting quarterly reviews to ensure these are identified and remedied.



Chapter 7 – Sing your success and continually refine

Typically, for ATICS to get off the ground in the first place there would have been a number of Executives interested enough in the benefits it can provide to sponsor the investment. They will want to hear about how well their investment has gone. For this reason we would propose you produce a quarterly report.

Calculate the costs/savings

Take this opportunity to provide an appraisal of how well the introduction has gone; what went well, what could have been done better, what will be happening in the future and importantly, the realised costs/savings. This brings us back to the need to have collected baseline measures as once you have these you can begin to calculate the impact ATICS has had and translate that into a cost or cash saving.



Identify refinement opportunities

As ATICS helps lead a new way of dealing with claims we need to periodically reflect on how well we are fairing in this un-chartered territory. Take these opportunities to question existing process to see how/whether process may be further improved and whether goals might be stretched.

The report

Whilst any Executive's time is likely to be considered precious we suspect a high level cost/savings report (like that which accompanies the whitepaper) would be of interest enough to circulate to Executive (following correct communication channels).

We would also suggest it is accompanied by an Executive Summary to provide a very succinct narrative of progress, successes and failures, accompanied by future refinements and targets.

Even if this report were not to even be forwarded past your desk, the process itself would have been a useful enough exercise, by stimulating focus and providing a document to refer back to when reviewing future progress.



Appendix 1 - Checklist

Use the following checklist to ensure you have covered all of the proposed measures to ensure the implementation/management success of ATICS:

- Understand the benefits of ATICS (read whitepaper).*
- Obtained benchmark measures for introducing ATICS.*
- Recruitment plans / criteria have been adjusted to account for the reduced technical needs.*
- Technical resources have been leveraged to support customer service leaders.*
- An internal ATICS expert(s) have been appointed.*
- Staff are aware of parameters for claims that go through ATICS and those that do not.*
- Staff understand the triggers for when inbound calls should be assessed rather than call backs scheduled.*
- Staff prepare the customer for the interview.*
- You have anticipated the need to consider the shift in hours of operation to accommodate change in customer needs.*
- Staff have call performance targets and these are continually reviewed for optimization.*
- Conduct regular reviews to consider further efficiency improvements.*
- Mapped the process.*
- The quality control environment has been revised to focus on data entry and new version releases.*
- Resources allocated for the effective management of high-risk claims.*
- All stakeholders understand not just the benefits, but the ongoing development needs of ATICS.*
- Ensure you have reserves in your budget for ongoing system tweaks in order to keep the rules current.*
- Budget for ongoing development needs is available.*
- Communication channels for the ongoing development of ATICS are in place.*
- ATICS rules are reviewed at least quarterly to ensure current.*
- Semi-annual/Annual Executive report is produced with costs savings, refinement opportunities and new objectives clarified.*

We hope you have found this guide of use and please do not hesitate to contact your Account Manager or Support Team should you require any further support.

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