



INDUSTRY SOLUTIONS

2005 COMPUTERWORLD HONORS CASE STUDY

FINANCE, INSURANCE & REAL ESTATE

LEVERAGING ITS NATIONWIDE, ALL-DIGITAL WIRELESS NETWORK AND MIDDLEWARE THAT EXTENDS MISSION-CRITICAL CLAIMS APPLICATIONS TO MOBILE DEVICES, SPRINT ENABLES INSURANCE COMPANIES TO PROCESS CLAIMS FASTER, PROVIDING QUICKER REIMBURSEMENTS FOR EVERYONE, BUT ESPECIALLY TO VICTIMS OF NATURAL DISASTER. [20055333]

A Search for New Stories



SUMMARY

Leveraging its nationwide, all-digital wireless network and middleware that extends mission-critical claims applications to mobile devices, Sprint enables insurance companies to process claims faster. Victims of natural disasters or other losses can benefit by quicker reimbursements, allowing them to begin rebuilding their lives after their loss.

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APPLICATION

A consistent complaint heard by insurance carriers is that the claims process is difficult and slow. Their policyholders look to them to satisfy their need to get back to normal after a loss whether a simple fender bender or a catastrophic loss due to natural disaster.

Sprint sought to provide a solution that would allow insurance carriers to provide a higher level of responsiveness to their policyholders, and to do so in a manner that would not require onerous back-office upgrades or massive retraining of employees and contractors.

The key to such a solution requires field-based employees have access to systems and information, with a user-friendly means of providing data from the claim site. The result was an industry-specific solution, Sprint Mobile Claims Adjuster; a set of products and services designed to reduce cycle times associated with claims processing, reduce errors produced in the process, reduce costs to the insurance carrier associated with the claims process and increase customer satisfaction.

Claims adjusters and damage estimators are true road warriors – meeting customers, taking photos, completing paperwork, and are often the only face of the insurance company the customer sees. Behind the scenes however, there is a lot more work that goes on during claims processing. After a day on the road examining cars or damage to homes, the agent must return to the office to complete more forms, upload photographs, and insert notes he has made through day. Multiple entities need to be contacted and informed of the situation. It's a rigorous process that can take as long as three weeks to resolve even in a fairly simple damage cases.

After watching firsthand how field insurance industry workers do their job, Sprint developed a solution that allows mobile employees to use handheld devices or laptops with wireless connection cards to:

- * Access damage estimating software
- * Photograph damage and append digital photos to claims documentation
- * Wirelessly complete, sign and send claims information
- * Check availability of approved body shops for parts
- * Schedule repairs at locations nearest the insured customer

The biggest wow factor comes from workers who are able to use small screen devices such as a PDA-type phone to populate complex damage information through the use of drop-down menus, signature capture boxes, text entry boxes and yes/no type prompts. This helps to reduce data entry on tasks as simple as verifying claims information, and allows for handwriting recognition technology to allow notes normally handwritten and later manually typed into the system to be automatically entered. Sprint accomplished this through the use of technology called “middleware” that extends an insurance carrier’s enterprise applications for processing claims to handheld devices such as phones, PDAs, Tablet PCs and laptops.

Despite the fact that this significantly changes the process that most insurance companies have used for years,

the solution is elegant in design and very intuitive to use, which increases acceptance by the end users.

Research shows that a key component to customer satisfaction is not how much money they receive but how quickly a claim is resolved. Sprint Mobile Claims Adjuster helps to shorten the claims process by as much as 50%. By empowering mobile claims employees to access data and information paperwork and employee resources are reduced.

BENEFITS

- Has your project helped those it was designed to help?

Sprint is delighted that this project is helping those for whom it was designed. One carrier reports through the use of wireless technologies provided by Sprint that their mobile employees are 25% more productive. Insurance industry analyst firm Celent remodeled the workflow process of claims management to illustrate how true mobility can decrease cycle times by 50%.

Another insurance carrier reports an increase in field appraiser productivity increased by 12.5% by wirelessly enabling their claims process they experience improved scheduling efficiency by having digital photos uploaded directly into their claims system.

- In your opinion, how has it affected them?

Employees reported being happier and less stressed because their workload is made easier and more streamlined and their day is less disjointed. Policyholders have been pleased at the speed with which their insurance carrier can resolve their loss claim and allow them to move on.

- What new advantage or opportunity does your project provide to people?

The advantages are tri-fold to the insurance carrier, its employees and to their customers. The ability to squeeze out cycles associated with processing insurance claims can save carriers many millions of dollars. Mobile employees benefit by having access anywhere, anytime to mission critical data, which improves their quality of life by eliminating the need to do several hours of after work administrative work. Customers report higher satisfaction the quicker their damages are rectified.

- Has your project fundamentally changed how tasks are performed?

Sprint's solution has fundamentally changed how tasks are performed by moving from a paper and pen world to a mobile electronic world, we absolutely changed their work dynamic. By equipping field employees with the right tools that fit their work style and approach, they are able to get more done in less time, with fewer errors.

- How might that change unfold?

Early indications are that this change will come gradually. The typical insurance carrier looks for proof of concept, so adoption starts with a pilot. Once they see the value in moving to a mobilized claims process, the application is rolled out more broadly in the organization until full deployment is achieved.

- Does your work define new challenges for society? If so, please describe what you believe they may be.

Because Sprint is improving something that has been around for years, i.e. the claims process, we don't see that we are presenting new challenges for society.

IMPORTANCE

- How did information technology contribute to this project?

Sprint is an industry leader with a nationwide 1xRTT CDMA network but having an outstanding digital network does not comprise a complete mobile solution for insurance industry field employees. Sprint partners with innovative technology leaders which allows us to jointly provide complete, relevant solutions to our insurance industry customers.

- Why was information technology particularly important to it?

While insurance claims adjusters and damage estimators are road warriors using laptops and some even have printers in their cars, they are not truly mobilized in the sense of using technology that enables them to upload and access data in real time. To do that requires a keen understanding of the right technology from hardware, software, middleware and communications networks. By breaking down each component of the claims process, Sprint was able to build a relevant and specific solution that cost-effectively allows field employees to be more productive through the intelligent use of information technology.

- In your opinion, have you developed a technology that may lead to new ways of communicating or processing information?

Yes. We believe that this technology will move the insurance industry forward, setting a paradigm for the use of mobile applications. Early adopters will gain a competitive advantage, with late adopters running the risk of customers migrating to companies that offer more customer-centric claims processes.

- Describe any new technologies used and/or cite innovative uses of existing technology. For example, did you find new ways to use existing technology to create new benefits for society? Or, did you define a problem and develop new technology to solve it?

The technologies that Sprint used were available prior to the development of this solution. It is how we combined various technologies and tailored their use to resolve cumbersome aspects of the insurance claims process that makes it unique.

ORIGINALITY

- What are the exceptional aspects of your project?

There are two exceptional aspects to our project: the first is technological and the second is ergonomic. From a technological standpoint Sprint had to address the communications needs of insurance adjusters visiting customers in an area ravaged by natural disaster. A key component of the Sprint solution requires data be transmitted on our network to corporate headquarters; but how to transmit if the communications infrastructure is either wiped out or experiencing an outage? Other situations are not nearly as dramatic, for instance areas where wireless coverage may be limited in a remote area. Field employees still need to have access to data and to be able to populate the many fields required to take information on and settle a claim. The Sprint solution is one that is always available versus always on. What distinguishes the Sprint mobile solution is that in the event a worker is out of range of the Sprint wireless network, they can still populate data and synchronize later when they enter the coverage area.

Another thing we learned directly from field workers is that they do not always want to synchronize data in real time. They may want to add more comments or take notes from witnesses. The Sprint solution allows them to prioritize what data will be synchronized when. What is exceptional is being able to providing a user-customizable solution

Ergonomically, to ensure acceptance, we had to deal with the need to electronically capture forms and formats that had previously been done on pen and paper. As a user, it is important to not think that a new technology makes you worse off than before it was introduced. Thus, we had to take particular care to build a user interface that could easily translate pen and paper to a laptop/tablet PC or to a small-screen handheld device.

- Is it original? How? Is it the first, the only, the best or the most effective application of its kind?

Sprint is the first telecommunications carrier to holistically combine all the variables of information technology and shape them together to address a specific need for property and casualty insurers. Sprint combines the relevant aspects of a wireless network, mobile devices, and middleware technology that allows insurance carriers to extend the applications they use to mobile devices.

- How did your project evolve? What is its background?

The project began after Sprint realigned to focus on its business customers and took a vertical marketing approach. Sprint's insurance market development team sought to deconstruct how insurance carriers operate to identify where Sprint could provide relevant solutions to resolve particular issues. Once it was identified that the claims process is often a time consuming and expensive process, Sprint determined to change that dynamic by providing a means to mobilize the process itself.

SUCCESS

- Has your project achieved or exceeded its goals?

We are delighted by the success and feedback of our customers who use our technology to mobilize employees and empower them to do their job better and faster.

- Is it fully operational?

Absolutely, we can take legacy applications or industry-leading claims applications and intelligently extend them to the mobile workplace.

- How quickly has your targeted audience of users embraced your innovation? Or, how rapidly do you predict they will?

Adoption is slow, but as we were able to put the technology into our customers' hands to use, they began to see how mobile technologies can provide a rather quick return on investment. We are seeing more and more of our customers expanding their use of Sprint technology and expressing specific interest in the Mobile Claims Adjuster solution.

- Describe future plans for the project.

We are working on even more ways to improve functionality to include location-based services whereby a claims adjuster could show an insured client a map of all the nearby locations they could take their car to be fixed. We are working toward enterprise-grade Short Mail Service (SMS) whereby a field worker can send a text message to an insured client alerting them that they are on their way, or that they will be delayed. This allows a worker to use a simple device such as a PDA-type device for telecommunications, claims processing and as a means of sending SMS messages or even emails to customers. We are working to add the convenient capability to print documentation for clients through the use of Bluetooth portable printers as well.

DIFFICULTY

- What were the most important obstacles that had to be overcome in order for your work to be successful? Technical problems? Resources? Expertise? Organizational problems?

Some of the challenges that we faced included finding the right kind of middleware that would allow insurance carriers to extend the applications their claims adjusters and damage estimators use to mobile devices. We needed a solution that would take into account that there are times when no wireless signal is present (either due to being in a remote location or an area that has suffered damage to do natural disaster) and would allow those workers to still access and populate data. We also had technical issues such as making it as easy to populate data on a small-screen handheld device as it is on a full-screen laptop. We had to present information most appropriately for the device on which it is being used – for instance, a laptop has a large screen and a PDA has a much smaller area of real estate for rendering complex data. We had to make it user friendly so that not only was it easy to use but easy to change from traditional methods of information gathering.

- Often the most innovative projects encounter the greatest resistance when they are originally proposed. If you had to fight for approval and/or funding, it would be useful to include a summary of the objections you faced and how you overcame them.

New ideas present a danger of gobbling up resources and not being able to show real benefit. Fortunately we have a team of committed people who really believed in developing Sprint Mobile Claims Adjuster; long before industry analysts and our customers saw what we could do for them. Typically we seek industry and analyst verification that we are on the right track before developing a solution. In the early stages of development, no such verification existed and were even advised by consultants to not pursue this solution. Still, as a team, we really believed we were onto something, and forged ahead with development. After customers began extolling the virtues of happier customers, reduced cycle times, and increased employee productivity and worker satisfaction, we breathed a sigh of relief that being visionary really can pay off for our customers.

