Insurance Outsourcing Services
Delivering Measurable Results
Introduction

Insurers want to keep pace with emerging industry trends and adapt quickly to new market opportunities, regulatory requirements, technologies and customer needs. The latest technologies have brought on new internal and external demands for streamlining access to vital business and policyholder information across locations and systems. On one hand, insurers find that they have to carefully navigate legacy systems and processes burdened with manual and paper handling. On the other hand, customers are insisting on faster, more efficient service levels. Finally, business stakeholders are demanding greater visibility into important business and policyholder information to drive decision-making and analysis.

The challenges are significant for those insurers that have yet to take a holistic view of current operations. Insurers must start by rethinking “business as usual” processes. New business setup, claims processing, policy administration, document and information management systems can and should be re-examined to find gains in document cycle times and reductions in processing and overall costs.

To accomplish this, insurance executives across the enterprise in administration, information governance, risk and operations must find ways to streamline processes, update or implement new procedures to gain more immediate access to vital policyholder records, maximize the use of existing systems and/or new technology and migrate from a paper to digital workflow.
Today’s Insurance Challenges

Despite the prevalence of technology in the form of tablets, laptops and smartphones, many insurance business processes are still largely paper-based. The majority of policy applications, endorsements, cancellations, claims and renewals still contain paper and manual touchpoints. From receipt to resolution, manual touch points are required to convert and validate documents, and enter them into the business workflow.

With high volumes of paper, the processing comes at a significant cost with extended processing cycles. When a customer calls with a question, finding the necessary document or information can be like finding a needle in a haystack without digitization. On the strategic front, there is insufficient time and staff to work on process improvements and explore technology options to ease the front-end capture of the incoming documents. Resource limitations hinder the alignment of the document intake process with the policy lifecycle. Document scanning at the point of intake and streamlining the workflow are necessary to improve efficiencies.

At the operational level, insurance executives are pressured to reduce operational costs, even as internal clients demand more analytical support. Customers want immediate response times. Business operations executives require faster cycle times and greater visibility into vital business information. The legal and claims departments demand timely access to records and regulators require tighter controls. As a consequence, insurers remain challenged by the need to streamline processes that heavily rely on paper documents.
Document Imaging to Drive Improvements in Processes and Customer Satisfaction

Many insurers have implemented a back-end scanning process that digitizes their paper documents including forms and records for safe and cost-effective storage and handling. This is the first step in effectively streamlining document and information management. The next is front-end scanning to make the forms and records "intelligent" so that information can be automatically integrated into the various technology systems and can be properly indexed for fast, efficient extraction.

Front-end conversion activities including manual data entry can include document intake and preparation optical character recognition (OCR) scanning, indexing and validation-related tasks. Business process imaging is a holistic approach to managing front-end document and record conversion activities that support an ongoing business process such as new business setup, claims processing and policy administration. Insurers can utilize business process imaging practices to drive improvements in a number of key areas:

ADVANCING OPERATIONAL AND BACK-OFFICE PROCESSES
Business process imaging technology can improve internal processes by making vital business information and documents available at the earliest point of entry into the organization. This approach can reduce processing cycle times, remove processing steps, reduce costs and mitigate risk.

IMPROVING CUSTOMER SATISFACTION AND SERVICE
By processing documents and information more quickly, customers benefit with an overall improved customer experience. They will receive faster and more efficient response times for claims, policy changes and renewals. This is the outcome of converting documents into digital workflows, making them searchable and storing them in a single content management system. These systems are then connected to the legacy systems, underwriting rules engines, customer relationship management (CRM) and other core business process systems.

MITIGATING BUSINESS RISK
By maintaining your documents and information electronically, the potential loss from fire damage and natural disaster can be minimized and mitigated. Business process imaging can help reduce business risk by gathering, capturing, indexing and routing documents and records into controlled archives and electronic workflows based on a predefined set of business rules. An effective information governance program is necessary for underwriters to gain insight into business-critical information.

STREAMLINING THE INTAKE OF INSURANCE CLAIMS
Policyholders’ perception of the effectiveness of an insurer tends to rest with their claims process experience. In an era of business success so highly dependent on delivering an outstanding customer experience, the claims process is at the forefront. Visibility from the First Notice of Loss (FNOL) through settlement is the key to greater efficiency and delivery of the experience policyholders have come to expect.

Operational efficiency depends on an effective integration of people, process and technology. The goal is to close claims quickly, accurately and cost-effectively, which requires that insurance carriers unify a wide range of business processes into an automated and holistic approach. Technology makes it possible to automate many of these tasks, including claims assignment, responding to regulatory inquiries and sending standardized forms. This frees existing expert staff to focus more efficiently on complex processes. Business Process Services, Inc. (Canon) has the proven expertise in converting paper forms and digital media into digital workflows and searchable documents. The data is then stored on records management systems and extracted using intelligent capture to more efficiently route claims and reduce manual errors.

With onsite, offsite and offshore capabilities, Canon has the flexibility to manage the low-complexity tasks, thus allowing insurance processors and underwriters to focus on what they do best. Low-complexity tasks such as data entry, lookup, policyholder maintenance and other updates can be automated or performed by our highly trained offshore team. Canon delivers services in their 24 x 7 highly secure facilities in both the U.S. and the Philippines.
Canon Business Process Services has insurance industry knowledge and expertise that enable insurers to optimize processes that can help drive outcomes beyond basic operational savings.

Insurers can improve their business operations across a number of functional areas:

MAIL CENTER
As the hub for receiving and distributing mail and packages, today’s technology-enabled mail center is the key to moving documents and information with speed, accuracy and effectiveness. Whether serving the headquarters, shared service center or a regional processing facility, Canon uses advanced technology to process inbound and outbound mail and improves efficiency, operations and customer service while minimizing cost.

OFFICE SERVICES AND FACILITIES SUPPORT
Employees expect the day-to-day administrative functions to be well managed. These activities, which are important but not the core competency of many organizations, include conference room scheduling and providing audio/visual equipment support that is vital to successful company meetings, staffing reception areas with experienced professionals, managing office moves and changes and much more. Canon takes on these functions and improves efficiencies.

PRINT CENTER
Although online delivery of policy, regulatory compliance and billing statements is more efficient, a substantial amount of customer-facing documents and fulfillment materials must be delivered through the print/mail stream with exact branding and print specifications. Your sales force, channel partners and internal support staff depend on printed materials meeting your branding and insurance document specifications. Document composition and print workflow automation from ERP to the mail stream are critical to quality, information security and on-time delivery. Small on-demand print runs are key to internal fulfillment. Whether the complexity is in high-volume production or in assembling training manuals, Canon has the capabilities to get it done.

RECORDS MANAGEMENT
Insurers depend on physical and electronic records throughout their operations. Records that cannot be found on time and records not destroyed when they should be increase overall risk and cost. An enterprise records management program from Canon helps you organize active files and manage long-term off-site storage files.

OFFICE PRINT
Knowledge workers expect an office print service to function like utility services. IT and office staff should be free from print problems and the printer supply management burden. With confidential customer information on the insurance forms and documents you work with, securing the office print output is a big concern. With hundreds of copiers and thousands of printers throughout your facilities, Canon Managed Print Services streamlines the management of the print process, reduces total cost of output, improves information security and manages the print assets.

ELECTRONIC DISCOVERY
When litigation arises from a claim, data collection and harvesting, data restoration, complex searching and mining, and the metadata extraction process around the claim are daunting and complex. The Canon Discovery service provides a Web-based document review system that includes processing, review and analysis along with a team of discovery experts with more than 20 years of experience to offer guidance and support.

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<table>
<thead>
<tr>
<th>CANON PORTFOLIO OF SERVICES TO DRIVE PROCESS IMPROVEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NEW BUSINESS SETUP</strong></td>
</tr>
<tr>
<td>+ Data Management</td>
</tr>
<tr>
<td>+ Channel Support</td>
</tr>
<tr>
<td>+ Underwriting Support</td>
</tr>
<tr>
<td>+ Verification/Validation</td>
</tr>
<tr>
<td><strong>POLICY CHANGES</strong></td>
</tr>
<tr>
<td>+ Name/Owner/Address Changes</td>
</tr>
<tr>
<td>+ Certificate Re-issue</td>
</tr>
<tr>
<td>+ Adjustments/Endorsements/Rider and Coverage Changes</td>
</tr>
<tr>
<td>+ Renewals</td>
</tr>
<tr>
<td>+ Cancellations</td>
</tr>
<tr>
<td><strong>PREMIUMS</strong></td>
</tr>
<tr>
<td>+ Premium Mode Change</td>
</tr>
<tr>
<td>+ Premium Adults</td>
</tr>
<tr>
<td><strong>CLAIMS PROCESSING</strong></td>
</tr>
<tr>
<td>+ First Notification of Loss</td>
</tr>
<tr>
<td>+ Claim Setup</td>
</tr>
<tr>
<td><strong>BACK-OFFICE SERVICES</strong></td>
</tr>
<tr>
<td>+ Records and Information Governance</td>
</tr>
<tr>
<td>+ Imaging and Data Conversion Document Management</td>
</tr>
<tr>
<td>+ Print Center Management</td>
</tr>
<tr>
<td>+ Accounts Payable</td>
</tr>
<tr>
<td>+ HR File Digitization</td>
</tr>
<tr>
<td><strong>CORPORATE SERVICES</strong></td>
</tr>
<tr>
<td>+ Mail Center and Shipping &amp; Receiving</td>
</tr>
<tr>
<td>+ Office Print Management</td>
</tr>
<tr>
<td>+ Reception</td>
</tr>
</tbody>
</table>
Canon has been providing outsourcing services to a spectrum of insurers including property and casualty, annuity, life and reinsurance companies for many years. Our deep domain expertise helps insurers improve business operations and minimize cost.

/ $140k Annual cost savings

IMAGING TO DRIVE HIGHER PERFORMANCE
A leading insurance, retirement and investment company asked Canon to outsource its document imaging processes. Using Six Sigma methodologies and best-in-class technology, the client was able to realize significant process improvements and savings.

Canon took on the management of the staff responsible for receiving, prepping and imaging time-sensitive insurance documents and, for the first time, processing them into the business workflow. The client gained new efficiencies with the scanning and indexing of volumes that totaled about 31,000 pages a day with more than 11 million images annually. To further improve the process, a portion of the document imaging activities moved to the Canon Business Processing Centers in the U.S. and the Philippines. With that, the client realized additional cost savings.

The client's operations were ultimately transformed from manual data entry to an automated process for extracting and digitizing data. The client achieved $140,000 in annual savings along with significant operational and workflow advancements.

$140k

/ 100% of the client’s records and information management strategic goals and objectives were realized

RECORDS MANAGEMENT PROGRAM TO ACHIEVE OPERATIONAL EXCELLENCE
One of the world's leading insurance companies engaged Canon as a trusted partner to help solve records information management challenges. This insurer had a critical business need to unify the records management program and standardize it company-wide.

A number of strategic goals and objectives were identified early on to measure success. These included establishing consistency across various offices; reducing costs and exposure associated with missing or lost files; reducing overall real estate costs associated with storage; improving access to files; meeting legal, contractual and business obligations regarding records; securing and protecting client and employee information as per state and local privacy laws; and then finally complying with the federal rules of civil procedure.

In close collaboration with the client, an integrated solution with an integrated (onsite, offsite and offshore) delivery model was developed and implemented. Canon provided expertise and best practices in the following areas:

+ records management strategy development and program roadmap
+ business process imaging services
+ project management
+ quality management tools and Six Sigma-based methodologies
+ advanced technology with a customized integrated delivery model

The client was extremely satisfied with the business results. Each of the client’s nine strategic goals and objectives related to “unify records program goals” were successfully met. The labor savings over the course of three years reached $3 million. Additionally, the collaborative Six Sigma project saved the firm an additional $250,000 in the first year.
The Canon Approach: Operational Efficiency and Measurable Results

Canon Business Process Services helps insurers achieve operational excellence. Operational excellence can be realized when business processes are optimized and the right principles and tools such as Six Sigma are applied to improve quality and efficiency of execution while reducing risk and cost. Operational excellence encourages continuous improvement.

A HOLISTIC APPROACH
Attaining a measurable, sustainable improvement in process performance requires a holistic approach. Such an approach aligns people, processes and technology in ways that deliver added value. The business process outsourcing value cycle begins with assessment and analysis, followed by process design, transition, ongoing management and improvement.

THE INTEGRATED SERVICE DELIVERY MODEL
Canon offers a flexible, hybrid global service delivery model, supported by secure, cloud-based technologies, that is reliable and scalable. To help insurers improve processes at a reduced cost, Canon can efficiently capture vital documents on premises, to comply with privacy, confidentiality, regulatory or other requirements.

QUALITY MANAGEMENT PRINCIPLES FOR CONTINUOUS IMPROVEMENT
Canon is a Six Sigma organization. Canon applies Six Sigma methodology and quality tools to measure and continuously improve results for our clients’ document management operations.

TRANSITION METHODOLOGY
Canon has successfully implemented comprehensive transition plans, backed by industry best practices, for thousands of client installations across a range of industries. Our unparalleled experience is part of what makes the Canon approach work.
Canon Business Process Services has been delivering value to insurers for more than 20 years. By partnering with a provider that offers expertise in process improvement and performance management, much of the burden is taken off the company’s employees, and as a result, internal teams can better focus on the valuable revenue-generating activities that they do best.

In doing so, insurers are rewarded with business process management solutions that help improve efficiencies, contain costs, achieve operational excellence and mitigate risk in a world of increased competitive pressures, regulatory compliance requirements and customer expectations. Achieving operational excellence involves more than technology. Success ultimately depends on the knowledge, capabilities and client focus of the people involved. Our goal is to drive continuous improvement, exceed service-level benchmarks and improve the client’s bottom-line performance.
Advancing Business Performance to a Higher Level

Canon Business Process Services, a wholly owned subsidiary of Canon U.S.A., offers managed services and technology for information and document management, business process outsourcing and specialty workforce services. We help clients improve operational performance while reducing cost and risk. Canon Business Process Services has been named a Global Outsourcing 100 Leader by IAOP for the past eleven years and recognized in the Gartner Magic Quadrant for Managed Print and Content Services for five consecutive years. We have also been acknowledged by CIOReview magazine as a “20 Most Promising Legal Technology Solution Provider.”

Learn more at cbps.canon.com and follow us on Twitter @CanonBPO.