

HIGHLIGHTS

▶ Who

Farmers Mutual Insurance of Nebraska

▶ Business Challenges

- Time-consuming manual, paper-based processes
- Low 50% contractor acceptance of initial estimates
- Incomplete estimates due to component pricing model
- Communication lag times
- Multiple visits to loss sites required to complete claims

▶ Solution

Using the Symbility *mobile claims*™ solution, adjusters and contractors are now able to stay in-sync and completely process claims onsite, with more accurate estimates up-front, and more satisfied customers in the end.

▶ Key Benefits

- Stellar 95.2% policy renewal rate
- Settling claims 3 times faster –Reduced from 14 days to 5 days
- 55% of claims settled on initial contact
- 80% contractor acceptance rate
- Adjusters now process 50% more claims per day
- Centralized data access keeps claims participants in-sync

FMNE Streamlines Claims Processing to Better Serve Customers

INTRODUCTION

Farmers Mutual Insurance of Nebraska (FMNE) is an innovative carrier that is constantly on the lookout for new ways to reduce costs associated with processing claims while also looking for ways to differentiate from their competition in providing enhanced customer service. They welcome new technology that provides real business value and take a proactive approach to claims handling by training their field adjusters to prepare their own estimates on property losses. They present their estimates to policyholders and contractors and use them as the basis for their settlements. This provides more control and confidence in the pricing, but requires direct real-time communication between these groups.

Farmers Mutual uses multi-line adjusters to process claims associated with its 205,000 property and casualty policies. A staff of 73 field adjusters handles approximately 95% of their claim volume while about 5% are outsourced to independent adjusters. The company began using the Symbility *mobile claims*™ solution in the spring of 2006 to improve communications between adjusters, their insured customers, and contractors, reduce overhead, and streamline its claims processing to provide improved customer service.

CHALLENGES

Before using the Symbility *mobile claims* solution, adjusters hand-wrote estimates on smaller losses. On severe losses they manually scoped the damage on site and then returned to their district offices to enter the information into an estimating program located on a desktop PC. This process not only added considerable time and duplication of effort, it also introduced increased opportunities for data errors and compromised the accuracy of the estimates due to the manual entry and transcribing involved. It was also more difficult for the adjusters to retain all the details involved when they had to handle many claims per day in a catastrophe situation.

Bob Busboom, Vice President of Corporate Systems and IT at FMNE, recognized the need to deploy more flexible and mobile tools to help their claims staff perform their jobs more efficiently and effectively—with the key being to increase their mobility and their face time with customers. However, he found that laptops were too awkward and bulky, and could not be effectively used at the loss site, and began looking into other options.

Farmers Mutual evaluated many claims estimating solutions, but did not find any that met their requirements. Solid, standard data is critical for generating accurate estimates and the company found that the data model used in some of the solutions did not fit their strategy of providing prompt, fair, quality, claims service. For example, other solutions use component pricing, which increases the potential for adjusters to omit necessary operations during the estimation because they must select each component individually.

THE SOLUTION

Farmers required a mobile system that provided a cost benefit, that was practical, and that was easy for adjusters to, well, adjust to. Most importantly, FMNE wanted to choose a claims solution that fit well with their customer-focused strategy.

When Bob Busboom saw a demonstration of the Symbility *mobile claims* solution running on a Tablet PC, he immediately realized he was seeing a solution that aligned very closely with his vision of improved mobility and efficiency in processing claims.

Farmers Mutual evaluated various hardware options and determined that the Tablet PC was indeed ideal for their needs. One thing in particular they liked about the Tablet PC is that it is convertible—allowing users to either lay the screen down flat and use the pen on it like a slate, or swivel the screen around and use the keyboard like a



CASE STUDY

“Our primary objective is to provide a level of service that meets and exceeds the expectations of our customers. To achieve this we need to provide our staff with tools that enable them to perform their jobs with excellent results. The Symbility mobile claims solution has certainly become a reliable resource to help us attain our claims handling goals”.

Jamie Fredrickson, Director of Field Services at Farmers Mutual Insurance of Nebraska



standard laptop. Additionally, the use of a stylus allows for many shortcut options and thus saves a lot of time. Farmers Mutual purchased 73 Tablet PCs, bundled with Disto® Laser Rangefinders, portable printers and car AC adapters.

Farmers Mutual was quickly able to implement the Symbility *mobile claims* software and the complete system was rolled out to the organization in March 2006. After one day of training, the adjusters were up and running. The adjusters adapted to the new system quickly and, as they use it over time, continue to find additional pen-based shortcuts and time-saving techniques to improve the process even further.

Customer satisfaction is a critical component of Farmers Mutual's business strategy. Jamie Fredrickson, Director of Field Services at Farmers Mutual Insurance of Nebraska said, “Our primary objective is to provide a level of service that meets and exceeds the expectations of our customers. To achieve this we need to provide our staff with tools that enable them to perform their jobs with excellent results. The Symbility *mobile claims* solution has certainly become a reliable resource to help us attain our claims handling goals”.

Symbility *mobile claims* has proven to be a great fit with the customer policy renewal strategy at Farmers Mutual. Since implementing *mobile claims*, Farmers Mutual has achieved a stellar 95.2% customer renewal rate. They attribute some of this success directly to Symbility's innovative, progressive solution.

Farmers Mutual is continuously in search of ways to improve customer satisfaction by making the claims handling process as seamless as possible for their policyholders and minimizing the life cycle of each claim. By implementing the Symbility solution, the company has reduced the average number of contacts required to complete a claim, resulting in substantial cost savings and a decrease in the length of time the average claim remains open. Symbility software has drastically reduced the time a claim is open from 14 days to 5 days while improving adjuster efficiency by 50% in catastrophe situations. Symbility has been shown to deliver significant results to the bottom line by improving efficiency of the adjusters, lowering costs associated with the claim, helping to mitigate scope creep as claims are now closed faster, while helping to improve customer satisfaction. A strong, well-rounded value proposition.

Greater efficiency results in higher productivity. With Symbility, Farmers Mutual now settles up to 55% of its property claims on initial contact. Because the Symbility *mobile claims* solution allows adjusters to document so many more details on site than they could previously, the re-inspection rate has dropped from 7% to between 1-2%. The increased efficiency of their internal adjusters will allow Farmers Mutual to retain most of their claims in house. In addition to the resultant reduction in outsourcing costs, this will help Farmers Mutual maintain greater control of the customer relationship, which has a direct correlation to customer satisfaction.

Using Symbility creates a more synergistic working relationship between Farmers Mutual's adjusters and contractors. With the estimating product used previously, only about 50% of quotes were accepted on initial presentation to contractors. Because the pricing database in Symbility provides a more complete estimate due to the unit-based pricing model, contractors are presented with more accurate estimates right from the start, which reduces time spent negotiating about actual cost to repair the damage. Farmers Mutual is now achieving better than an 80% acceptance rate from the contractors and they see this acceptance rate continuing to increase in the future.

When their field staff is out of the office handling claims, they are now able to view exactly the same documents and information through Symbility that individuals see back in the office, allowing everyone to stay in sync every step of the way.

Bob Busboom said, “In IT, we truly value solutions that require little or no maintenance. We are mostly concerned with getting solutions in, making sure they work, and then letting people run with them. I don't have much contact from the field regarding Symbility at this point, which to me is a good thing because it means the system is really working.”

FOR MORE INFORMATION

For more information about Symbility Solutions, and to learn more about its *mobile claims* system, please visit: <http://www.symbilitysolutions.com>