



### **INFINITY INSURANCE GAINS COMPETITIVE EDGE THROUGH SMART AUTOMATION**

Birmingham, AL-based Infinity Insurance has been in business for over 100 years, and today the medium-sized property and casualty insurer covers thousands of vehicles with its auto policies. About 800 Infinity employees provide service covering 36 states. Most of the 40 offices are field claims facilities, with about 250 claims representatives. Over the last several years, written premium volume has grown around 40 percent, and in 1998, the company posted premium revenues of \$316 million. A good deal of this growth has been fueled by increased coverage in the California market.

Infinity's reputation as a low-cost provider is important to its market positioning, and the contributions of the IS department have played a critical role in this strategy. The company automates as many processes as possible, so it is able to operate with a leaner staff than many of its competitors. This in turn helps keep rates low, which can be two to four percent less than competitors' offerings. Although the IS department is smaller than most comparable IS organizations in the industry, it is capable of realizing important productivity and cost gains through the utilization of technology.

"We do try to automate as much as possible," explained Bob Jones, director of IS. "This has been our approach for about 25 years." An instance of this is in the company's underwriting process, which has been fully automated for close to 15 years. "We basically built our mainframe to do the underwriting, which relieves personnel from time-consuming, routine aspects of underwriting, such as policy approvals and insurer acceptances."

#### **Customer Service, Satisfaction Impacted by Manual Processes**

While automation worked quite well for some applications, it was not always the case for Infinity's document management processes. Until a few years ago, document access and distribution was very labor intensive and delay-ridden, and reduced the level of service the company wanted to provide its customers.

"We kept all our forms on tape on the mainframe," said Bob Kennedy, vice president of IS at Infinity. "This was a serious problem when Customer Service needed a copy

of a statement, policy or other customer document. We had to find the requested material, print it and send it back.

Customer service wanted to handle inquiries on the first call, but with our old way of doing things, it could take at least a day. If Claims wanted to look at a document, they would also have to wait a day or more."

Infinity first learned of a possible solution from its sister company, Atlanta Casualty. Infinity, Atlanta Casualty and several other insurance companies are wholly owned subsidiaries of American Financial Group. Atlanta Casualty had installed a COINSERV digital document repository from INSCI Corporation to store and manage customer policies, statements and management reports. Infinity and some of the other subsidiaries believed a similar system could work for them as well.

The COINSERV system is capable of indexing, storing, retrieving and distributing high volumes of computer-generated transaction documents of all types, as well as scanned images. With this electronic digital document repository, the company could provide enterprise-level automated storage and retrieval capabilities for policy sets, statements, reports and other documentation. An additional benefit was the ability to significantly expand the COINSERV system with Web access and viewing, workflow and report generation capabilities.

#### **Implementation Brings Instant Information Access and Viewing**

Unisys Corporation was the initial contact point for bringing COINSERV to Infinity, and integration of a Unisys server was the first phase in the system implementation process. Another critical step in the initial implementation phase was identifying what documents and forms needed to be converted to an electronic format, indexed and stored in the repository.

The COINSERV software was then linked with the mainframe to make forms available on the company's "dumb" terminals. At the time the system was first installed, Infinity had many such mainframe terminals, and INSCI helped viewers see the data they needed. Since then, Infinity has installed PC workstations, and COINSERV was upgraded to accommodate the transition.

Ralph Gravelle, Infinity client/server program manager, described the current configuration: "We have the latest version of COINSERV for UNIX, with a Unisys Clearpath 4400 mainframe." He added that the company uses a variety of networks. "We push out over Token Ring, Ethernet, and fiber optic, and our 40 offices link over frame relay. For printers, there are Xerox 4135 and 4635 models, and network printers from HP and Lexmark. Certain printers are designated specifically for COINSERV applications to handle duplex printing."

### **Fast Document Access and Viewing A Key Benefit**

While the reduction in physical storage requirements was important, quick access to a variety of document types was essential to Infinity and posed their major challenge. "We did not have an inordinately large inventory of documents. On the mainframe, we limit storage to documents that we have a legal obligation to produce," said Mr. Kennedy. "These include cancellation notices, lien holder notices, agent account statements and checks."

COINSERV enables fast access to every document that can be printed off the mainframe. "Customer Service and other departments now have access to everything that would previously be generated directly from the mainframe. The difference is that now Customer Service can answer questions in seconds instead of days."

COINSERV is used by 600 of the 800 Infinity employees, with Claims being the biggest user of the technology. "They must investigate every claim, and we have an obligation to get all information quickly, such as verification that the insured has paid. To do this, Claims requests source documents, which are mainframe-based," Mr. Kennedy explained. "We place a big emphasis on paying claims as soon as possible, and the COINSERV system has cut a day off that process."

Customer Service is another major beneficiary through faster turnaround on documents. "COINSERV cuts time significantly for them, too," said Mr. Kennedy. "From the standpoint of remote office process, they used to fax documents to Claims, who would then hand carry them to IS. From there it might take a day to run reports, and then they would have to check to make sure the documents looked the same when they printed. They would have to reproduce the form exactly, and by the time it was mailed it back to the remote office, it could have taken a week or two to process." Now Infinity has the ability to fax from within COINSERV itself.

### **Reducing Document Hassles**

Maintaining forms is also easier through COINSERV technology. "We probably have more documents than other insurance organizations," added Mr. Jones, "because we don't try to make one form fit all. Our system generates specific forms for specific situations."

"Dealing with the requirements of 36 states is really tough. Everybody has different forms, and states require changes all the time, as do our development people, so we are constantly changing our forms," Mr. Kennedy explained.

"Before when we had to change forms on the mainframe, such as wording or a font, we had to manually change the overlay on the old system. This gets into hexadecimal editing, which is not very intuitive and is difficult to test, change and implement. It's a maintenance issue for us. Maintenance is harder when you have to manage overlays to create documents, because we have about 1000 forms."

Beyond editing, other problems would arise when the modified document was reproduced at the printer level. Control was not guaranteed; fonts could be wiped out, and information could be jumbled. Infinity is in the process of acquiring COINSERV's Metacode printing support which will give the ability to build an entire form at the mainframe and ship it down, instead of having to do overlays. "Then we won't have to worry anymore when we ship out a document," declared Mr. Kennedy.

### **More Automation Is Possible**

The IS team feels there could be significant benefits to extending COINSERV automation to more areas of the company. For instance, the accounting department currently stores hard copies of monthly green bar reports in file cabinets, although they may only need one or two pages from a two-hundred page report. COINSERV solutions could provide a more effective way of storing, retrieving and reprinting on demand as specific information is required.

Many of the company's 12,000 agents have asked for remote viewing capabilities. Infinity already accepts credit card payments over the Internet, and eventually customers may be able to view their bills on the Web. WebCOINS could benefit both customers and employees who need Internet access. With the COINSERV product suite, the Infinity IS team can continue to leverage technology as a competitive advantage for Infinity Insurance.

*For information about COINSERV solutions, contact INSCI worldwide headquarters at 1-508-870-4000 or visit [www.insci.com](http://www.insci.com)*