

## FINEOS InfoMatters - Information that Matters to the Global FINEOS Community

### Welcome to the second quarter 2009 edition of FINEOS InfoMatters, our regular update of news and events for the Global FINEOS Community.

As we approach the mid-year point, we reflect on a very challenging economic time across industries around the globe. Now more than ever, companies are looking to gain efficiencies while keeping costs down. Recently Thornton and Partners, an adjuster firm from Ireland, chose FINEOS as their new enterprise-wide software solution to provide major efficiency gains and an enhanced service to Thornton's insurance clients. You can read about their plan to use FINEOS in this newsletter. Also in this edition of InfoMatters, we recently completed a case study on RBC Insurance, outlining how they consolidated multiple systems onto one platform to improve business results and enable them to respond in the future to new products and changes in the business.

This quarter, FINEOS announced the findings of the Protection Review survey carried out by the Personal Finance Society (PFS) and sponsored by FINEOS. The survey offers a snapshot of the UK protection market, with results helping the life insurance industry develop the right solutions to meet advisers and clients' personal insurance needs.

FINEOS also attended a number of successful events and conferences over the past quarter, and sponsored the Principal Charity Golf Classic. The Principal Charity Classic contributes greatly to the economic vitality and quality of life in central Iowa and serves specifically as a way to raise money for local non-profit organizations supporting children.

We are happy to announce an upcoming webinar, which will take place on July 22, entitled "Claims Automation for Life Insurers: The Final Frontier". You can find more details inside. We are also proud to announce the FINEOS Configuration Community Website, which will provide an online open forum for clients and FINEOS staff to interact on topics relating to configuration of FINEOS Claims.

As always, if you have comments or suggestions for us, please send an email to [infomatters@FINEOS.com](mailto:infomatters@FINEOS.com). Enjoy!



Photo taken at the PFG Golf Classic. From left to right: Doug Fick, Principal Financial Group; Michael Kelly, FINEOS; Allen Doyle; Scott Ault, Mutual of Omaha; Glen Hall, Aviva.

JUNE 2009

### TABLE OF CONTENTS

- Welcome to the second quarter 2009 edition of FINEOS InfoMatters
- The Protection Insurance Industry: A Mixed Picture of Success
- Upcoming Webinar  
Claims Automation for Life Insurers:  
The Final Frontier
- FINEOS selected by Thornton & Partners
- RBC Insurance Case Study Now Available
- Announcing FINEOS Configuration Community Website
- Claims Corner: Using Predictive Analytics to Address the Fraud Challenge in Healthcare
- In Memory of Jacek Grzybowski

### Come See Us!

If you plan on being at any of the industry events listed below, please contact us to arrange a meeting.

#### Insurance Institute of South Africa

##### Annual Conference

June 28 - 29, Sun City, South Africa  
Sponsoring Exhibitor

#### Australian Insurance Summit

July 24, Sydney, Australia  
Lunch Sponsor

#### Claims Management & Processing in Insurance

September 7 - 8, Amsterdam, The Netherlands  
Corporate Silver Sponsor

#### NADP Annual Conference

September 22 - 25, Scottsdale, AZ, USA

#### International Claim Association Annual Education Conference

October 4 - 7, Marco Island, Florida, USA  
Sponsoring Exhibitor

#### Post Claims Club Annual Conference

October 8, London, UK

#### Insurance Institute of Ireland Annual Conference

October 8, Dublin, Ireland

#### Insurance Times Forum

October 15, London, UK  
Sponsor

## The Protection Insurance Industry and IT – A Mixed Picture of Success

FINEOS announced the findings of the Protection Review survey carried out by the Personal Finance Society (PFS) and sponsored by FINEOS. The survey offers a snapshot of the UK protection market and the results help the life insurance industry develop the right solutions to meet advisers and clients' personal insurance needs. The results of the survey, one of the largest of its type ever conducted, were announced at a gala dinner at the Marriott Hotel, Grosvenor Square, London.

Joint authors of the report Andy Couchman and Peter Le Beau of the Protection Review found that while the current economic downturn is prompting more consumers to consider their protection requirements, many (67%) advisers tend to agree that clients are often looking to cut premiums or discontinue cover altogether. The survey also found that advisers would give greater emphasis to protection products if they received better, faster service (83% agree) and innovative products that better meet their client needs (82% agree).

**“The results show that the Protection Industry has made some strides in successfully leveraging technology but there is still room for improvement. We believe that leading software vendors like FINEOS can help insurance organisations achieve operational excellence while providing value and enhanced customer service to their clients”.**

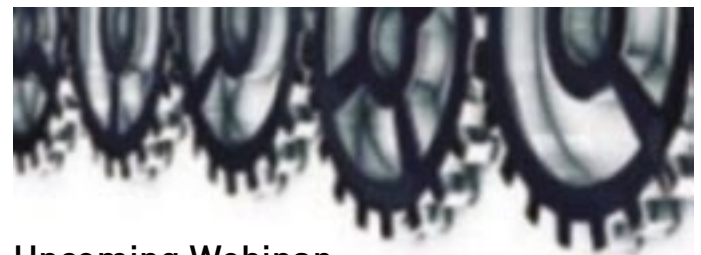
**Michael Kelly, CEO, FINEOS Corporation**

A mixed picture emerges when advisers were asked their views on whether technology had improved the products and service levels offered by life insurance companies. Of those surveyed, 35% felt that technology had helped the industry 'a lot', 30% felt it had improved things 'a little' and 30% said that it had improved things but 'not as much as it could do'. The survey also highlighted the areas where advisers would most like to see improvements over the next two years, these include New Business applications (64%) and Tele-underwriting (62%). Claims processing was seen as needing improvement by half of all advisers.



Margaret Pooley-Smith of Abacus Associates in Hereford won the draw for those who responded to the survey carried out for the Personal Finance Society (PFS). Above, she is pictured accepting the prize from Tim Crossely of FINEOS.

For more information, please visit [www.protectionreview.co.uk](http://www.protectionreview.co.uk).



### Upcoming Webinar Claims Automation for Life Insurers: The Final Frontier

Date: July 22, 2009

Time: 12:00 pm Eastern, 5:00 pm GMT, 9:00 am Pacific

Customers purchase life insurance products and put their trust in insurance companies primarily for one reason: so that when it comes time to file a claim, the process is as simple and seamless as possible. And yet, this most important interaction has been the last to receive investment dollars.

That may be changing in the future, as recent analyst research suggests that companies are shifting their thinking and prioritising those technologies that support customer service through improved claims processing.

Join us for this free 45-minute webinar where we'll explore the reasons why Claims has been such a low priority historically and outline simple process improvement methods that can be applied to achieve real business benefits. The presentation will include a sample roadmap for a phased approach to claims automation.

Presented by: Nancy Bush, Life Insurance Industry Consultant and Randall Day, Head of Claims Solutions, FINEOS.

To register, please visit [www.FINEOS.com](http://www.FINEOS.com).

## FINEOS selected by Thornton & Partners



FINEOS has been selected by Thornton & Partners, the largest loss adjuster firm in Ireland and partner to global firm Crawfords. FINEOS will become the new enterprise-

wide software solution for Thornton's loss adjusting claims operations and provide major efficiency gains and an enhanced service to Thornton's insurance clients. The new system offers a modern platform that will scale to meet Thornton's predicted business growth over the next few years. The company, which provides property loss adjusting and full cycle general insurance claims handling on behalf of large insurers, selected FINEOS following an in-depth evaluation of property and casualty claims solutions available on the market.

**"We are delighted that Thorntons is joining the growing list of premier clients who have chosen FINEOS Claims to transform the way they handle claims. The deployment of our modern, web-based platform will position Thorntons for future growth while enhancing the service they give to insurance companies. We look forward to working with the Thorntons team to make this project a real success".**

**Michael Kelly, CEO, FINEOS Corporation**

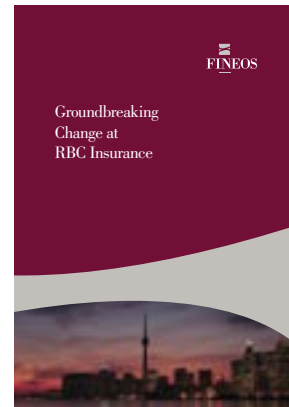
According to Thornton's Managing Director, John Eves, "FINEOS provides us with a best-in-class claim service which enables us to manage better service and lower costs through the use of efficient and effective processes. The powerful business process management capabilities within FINEOS Claims ensure the automation, generation, execution, and measurement of tasks required to handle claims. This will help reduce the amount of time loss adjusters have to spend on routine administrative tasks freeing them up to concentrate on the service we provide. The solution will also allow us to easily measure our performance against the service agreements we have committed to with our insurance clients".

FINEOS is Ireland's largest indigenous provider of software to the global insurance industry and one of the largest in Europe.

## RBC Insurance Case Study Now Available



In this new case study, we examine why FINEOS Claims was selected by RBC Insurance (RBCI) to provide the claims processing component of a large conversion project. This included overhauling their entire operational platform - Policy Administration, Claims, and related peripheral systems - all at the same time. Since the prevailing method for this type of project is to upgrade one system at a time, RBCI's approach was particularly groundbreaking, bold and unique.



Today, RBCI has an enterprise-wide platform which will allow it to continue to improve business results and respond to new products and changes in the business in the future. FINEOS Claims is delivering enhancements in straight-through processing and improvements in operational efficiencies especially in the area of claims cycle times.

This case study is available for download from [www.FINEOS.com](http://www.FINEOS.com).

## Announcing FINEOS Configuration Community Website



In July 2009, FINEOS will launch the FINEOS Configuration Community Website. The site will be initially aimed at clients who are using FINEOS Claims version 5 or higher. It will provide a forum where clients and staff can exchange knowledge and ideas about the use of the FINEOS configuration toolkit, primarily through the use of practical examples. The goals are to:

- Raise awareness of product features and frameworks that can be configured to deliver rapid value
- Share the FINEOS Product Management team's knowledge on manipulating the configuration tools for quick results
- Facilitate the exchange of learning and ideas between FINEOS clients.

The site contains a number of articles created by the Product Management team across a number of functional areas, including Screen Layouts, Screen Look & Feel, Data Validations, Test and Calculations, Working with Wizards, Securing the Application, Application Behaviour, Regional Settings and other topics.

We will upload further articles onto the site on an ongoing basis. The aim is that over time, FINEOS clients and FINEOS staff will add to a growing knowledge base.

You should have received a communication regarding this site by now, but if you have not and wish to learn more about it, please contact [Eoin.Kirwan@FINEOS.com](mailto:Eoin.Kirwan@FINEOS.com).



## Claims Corner: Using Predictive Analytics to Address the Fraud Challenge in Healthcare

by Randall Day,  
Head of Claims Solutions,  
FINEOS Corporation

As in other lines of insurance, fraud is also a challenge in health insurance. However, in healthcare most fraud is perpetrated by providers instead of claimants as they have little to gain. Ideally, insurers should try to design this out of the claims process from the outset but this is easier said than done. Predictive analytics offers insurers a variety of techniques from statistics and data mining to analyse current and historical data to make predictions about future events. It can be helpful in spotting unusual claims behaviour that might be indicative of fraud. A good claims management system must be capable of interfacing with predictive analytics tools, which are becoming increasingly important in effective claims management.

An example of how analytics can assist is in situations where a treatment is administered that does not appear to be related to an original diagnosis. A predictive model may score such a situation for appropriate follow up action.

Analytics can also perform complex probability calculations derived from the medical insurer's own data. Patterns can be ascertained and outcomes predicted as the model continues to learn and become more refined as it records more experiences. Another well-documented type of fraud is "Unbundling". This is when the provider uses different codes on a claim, which essentially refer to the same procedure, and fraudulently inflates the claim. Analytics can be set up to flag when certain codes appear in combination.

Analytics can also be used in non-fraud related situations. For example, when a chest contusion appears in combination with facial lacerations then it might score a high probability for recovery of subrogation due to an auto accident. Analytics could also assist the insurer to:

- Track drug utilisation/prices, look for discount network opportunities
- Score possible drug abuse - use of certain types of painkillers compared to 'normal' patterns
- Spot "upcoding" or charging for more complex procedures or services than were delivered.

In the UK it is thought that as much as five percent of the money paid out by private health insurers is lost to fraud. Recently 11 UK health insurers agreed a new and unprecedented program of cooperation in the fight against healthcare fraud. As we

have seen above, technology now offers a number of useful tools to help combat fraud. Moreover, most modern claims management systems, including FINEOS Claims, can work alongside specialist fraud detection tools, predictive analytics and data mining systems to help identify, manage and combat fraudulent activity. In this way, insurers can improve their margins, up customer service levels and cut administrative costs.

As always, if you have questions or a suggestion for a "Claims Corner" topic, please send an email to me at [Randall.Day@FINEOS.com](mailto:Randall.Day@FINEOS.com).

## In Memory of Jacek Grzybowski

Around this time last year, we lost one of our colleagues, Jacek Grzybowski, who tragically died while out hill walking in the Rimutaka Forest Park in New Zealand. Recently we were contacted by the Park Trust who proposed a uniquely New Zealand way to commemorate Jacek. The area where Jacek was lost and passed away was the Upper Turere, a small valley deep in the Forest Park. A small local volunteer organization has been working hard for nearly five years now to establish a colony of New Zealand's most famous bird, the flightless Kiwi, in this valley. The Kiwi is New Zealand's national icon but is seriously endangered due to pests, dogs and the loss of their natural habitat.

The Trust has now asked for Jacek's family's approval to name one of the Kiwi, 'Jacek'. The Kiwi are closely monitored and tracked with radio transmitters. The Trust will stay in contact with Jacek's family and inform them of progress via the Polish Embassy in Wellington. The Trust also hopes that this will be a fitting way to keep Jacek's memory alive in the Turere Valley in New Zealand.



FINEOS makes a donation in memory of Jacek Grzybowski to Wellington Land Search & Rescue

### Corporate Headquarters

FINEOS Corporation  
Pembroke House  
8-10 Lower Pembroke Street  
Dublin 2  
T +353-1-639-9700  
F +353-1-639-9701  
E [info@FINEOS.com](mailto:info@FINEOS.com)

### Boston Capability Centre

FINEOS Corporation  
One Main Street, 5th Floor  
Cambridge, MA 02142  
T +1-877-8-FINEOS  
T +1-617-649-0018  
F +1-617-649-0135  
E [info@FINEOS.com](mailto:info@FINEOS.com)

### Melbourne Capability Centre

FINEOS Corporation  
Level 8  
224 Queen Street  
Melbourne  
VIC 3000  
T +61-3-9018-3400  
F +61-3-9018-3401  
E [info@FINEOS.com](mailto:info@FINEOS.com)

**WOULD YOU LIKE  
TO RECEIVE THIS  
NEWSLETTER  
ELECTRONICALLY?**

**Sign up on-line at  
[infomatters@FINEOS.com](mailto:infomatters@FINEOS.com)**