

## FBD Insurance Finds Shelter From the Claims Storm

FBD INSURANCE REPLACES IT LEGACY SYSTEM AND AUTOMATES THE CLAIMS LIFE CYCLE WITH THE FINEOS CLAIMS PLATFORM — JUST IN TIME FOR A BLIZZARD OF NEW CLAIMS.

By Anne Rawland Gabriel

**W**ith its legacy claims system “creaking at the seams” from a dozen Celtic Tiger boom years, Dublin, Ireland-based FBD Insurance faced a refresh, recalls Michael Whelehan, head of claims operations for the country’s third-largest insurer. “With our old system, customers drove the process whenever they contacted us to inquire about the status of their claim,” he says. “We needed to automate and become proactive in settling claims.”

FBD set out in early 2008 to modernize a host of claims-related processes for its auto, home, small-business and agriculture lines, and in 2009 it began centralizing renewals away from local representatives and into the company’s first call center. Around the same time, Whelehan notes, the insurer also launched a new online, no-frills homeowners and personal auto brand. “Therefore, we needed a claims system that would support all of these initiatives as well as our traditional small business and agriculture-based book,” he explains.

After evaluating six vendors, FBD — a division of FBD Holdings (US\$1.3 billion in total assets) — began to focus on Dublin-based FINEOS, Whelehan reports. But, he emphasizes, not for the convenience of the vendor’s location. “FINEOS had a proven record in the life market, which we valued, and was keen to develop a P&C solution,” Whelehan recounts. “FINEOS’s answers to our RFP were ahead of the others, and their timelines to implementation were very positive, which was critical.”

To test the waters, FBD first piloted FINEOS Claims as a call center-only application. “We figured we could disengage if we weren’t happy,” notes Whelehan. But when the project proceeded smoothly, FBD decided to

roll out FINEOS enterprisewide.

Preparations began in late 2009, including establishing a new Linux-based virtualized hardware environment using IBM’s (Armonk, N.Y.) System x servers, DB2 and WebSphere. According to Whelehan, this permitted FBD to run approximately 12 virtual machines per physical device. The insurer also assembled a cross-functional core implementation team, including about a dozen executives, with plans to draw in significant IT and claims resources as needed. To minimize the business drain while still pursuing an aggressive timeline, Whelehan relates, FINEOS suggested utilizing an agile development process with a series of staggered sprints.

### A Stalled Kick-Off

After kicking off in early January 2010, the initiative stalled briefly, Whelehan acknowledges, explaining that the effort came too close on the heels of the call center deployment late in late 2009. “Key team members kept getting pulled into post-project clean-up,” he says. “Ultimately, this delayed the larger deployment by about two months.”

Fortunately, the new system went live in late November 2010, just in time for the region’s harshest blizzard in 30 years. “Temperatures fluctuated drastically in 24 hours,” Whelehan recounts. “This uncovered damage manifestations immediately, and we registered as many freeze claims following the event as in the entire nine months previous.”

FBD’s new claims system withstood the challenge. “Four months later, we knew exactly where our book stood,” Whelehan reports, adding that previously, the situation would have been unclear for much longer.

Yet a few kinks remained, Whelehan admits. For example, FBD “over-engineered” processes by dicing them into too many tasks, he says. “So we began amalgamating tasks after the first couple months.”

Two other issues were technological, the least complicated of which FINEOS quickly fixed. The remaining challenge centered on a lack of summary screens. “FINEOS’s greatest strength is capturing and managing mountains of data,” Whelehan says. “The downside is that this creates many layers of screens — document screens, notes screens, contact screens, etc. — for each event level: claim, claimant and incident.”

As a workaround, FBD built a custom summary screen. Meanwhile, FINEOS developed a more elegant solution, which is now available in the claims platform’s most recent version.

Still, Whelehan says, the ongoing benefits are tremendous. “We’re facing new Solvency II regulations and a

new Irish consumer protection code,” he says. “We’ll be able to build most of the necessary tasks into the system. And we’ll be able to engage with our third-party partners to automate data transfers between their system and ours.”

He adds, “Best of all, we now proactively drive the claims life cycle, rather than reacting to customer inquiries. In retrospect, adopting FINEOS is probably the most adept move we could’ve made.”

#### CASE STUDY SNAPSHOT

**Company:** FBD Insurance, a division of FBD Holdings (Dublin, Ireland; US\$1.3 billion in total assets).

**Lines of Business:** P&C.

**Vendor/Technology:** FINEOS (Dublin) Claims platform.

**Challenge:** Replace legacy claims system to ensure proactive claims management and processing.

#### About FINEOS Corporation

FINEOS is a market leading provider of core software solutions for Insurance and Government Insurance. Our flagship product, FINEOS Claims, is the insurance industry’s best-in-class solution for all Property & Casualty, Life, Disability and Government Insurance. Established in 1993, the company delivers innovative solutions to a global market and has customers, employees and established bases in North America, Europe, Africa and the Asia Pacific markets. For more information, visit [www.FINEOS.com](http://www.FINEOS.com)

