

Project: CNA-CCA
(Claim Center Advancement)

Drill-Down Guidewire - ClaimCenter

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Introduction to Guidewire Suite

Guidewire Insurance Suite encompasses the mission-critical operations of every personal or commercial lines carrier: underwriting and policy administration, claims, and billing. Unlike the legacy systems they are designed to replace, PolicyCenter, ClaimCenter, and BillingCenter enforce the best practices that ultimately drive lower loss costs and expense ratios. Intuitive role-based desktops support personnel from executives to support staff, while flexible business rules automate high-volume decision-making. Because the Guidewire Suite is entirely web-based, carriers can engage producers, policyholders, and vendors in underwriting and claims, as well as enable a more virtual workforce.

Guidewire systems share a modern technology platform providing workflow between Guidewire applications, integration to complex legacy environments, and upgrade-safe configuration of the user interface and business rules. With proven efficient implementation and scalability to the largest and smallest of carriers, Guidewire has emerged as the leading enabler of the optimized insurance operation.

ClaimCenter is an insurance claims management system. It is an enterprise software application that combines claims accounting systems and point solutions for decision support. It manages the claims process from first notice of loss through execution of financial transactions, including the payment and setting of reserves. It also manages claims information and coordinates the claims process to ensure compliance with corporate policies and claims best practices.

PolicyCenter is a next-generation web-based underwriting and policy administration system for personal and commercial line carriers. PolicyCenter helps your organization improve overall accuracy and efficiency, increase premiums at lower loss cost and lower expense, and eliminate barriers to booking new business.

BillingCenter is largely viewed as a back-office function, critically important to maintaining positive cash flow. Beyond accurate statements and timely resolution of billing discrepancies, customers expect payment plans that meet their needs, and the ability to make payments in the method of their choice. Billing represents a largely untapped opportunity to elevate customer service and positively impact.

Executive Summary ClaimCenter

Traditional claims systems take a data-centric approach to the claims process; they exist to receive, store, and retrieve claims information as it is generated through the process. ClaimCenter provides web-based, intuitive access to that important information, as well as the ability to store and retrieve electronic documents related to claims. However, it goes well beyond current systems, taking an activity-centric approach to claims.

ClaimCenter does not simply record the claims process, but orchestrates the complex array of activities involved, including planning, investigation, evaluation, judgment, consultation, negotiation, and collaboration. ClaimCenter helps adjusters "plan their work," identifying all the activities that need to be performed for a specific claim, taking into account: loss information, account-specific rules, state regulations, best practices, and so on. These activities are recorded on the claim's individual workplan, which is used to track and manage the claim process. ClaimCenter then helps adjusters "work their plan," making sure activities are assigned to appropriate handlers and completed in a timely manner.

At the core of ClaimCenter is a flexible rules engine, designed specifically for the needs of P&C insurers. This rules engine allows each insurance carrier to define exactly how each type of claim will be handled: what tasks will be added to the workplan, what types of handlers they will be assigned to, when they are due, what happens if they become overdue, etc. The rules engine's flexible architecture makes it possible to define virtually any claim handling rules, such as state-by-state regulations or account-specific guidelines.

By managing claims as dynamic sets of activities driven by flexible business rules, ClaimCenter makes possible a new level of control over the claim process. During the lifecycle of a claim, ClaimCenter:

The Claims Management Process

First Notice of Loss (FNOL): Enter initial claim information either directly into ClaimCenter through the New Claim wizard, or import from an external system. External systems include call centers or a third party outsourced system.

Claim Setup: After you enter claim information into ClaimCenter, the system runs business rules to segment and assign the claim. The business rules also assign initial activities for handling the claim. This initial work plan of activities establishes initial priorities in conformity with best practices and provides adjusters with a starting point for their work.

Claim Management - Investigation and Evaluation: You can plan, investigate, and evaluate steps in the claims management process. Adjusters can record their investigative notes, collaborate with other adjusters and internal experts, and view high priority or overdue claims quickly before they become problem claims.

Payment and Recovery: Use ClaimCenter to track claims reserves, payments, and any salvage or subrogation activities.

User Management: Administrators can create groups and teams of users, and provide them and other users with passwords, permissions, and authority limits.

The Rules-Driven Claim Process

A ***claim*** is a collection of all the information related to an accident or loss of some kind. A ClaimCenter claim is analogous to a physical claim file that collects and records in one place all the information relating to the claim. Unlike a physical file, a ClaimCenter claim also records and tracks the progress of all work involved in handling the claim.

Functional area of ClaimCenter:

- New Claim Wizard
- Summary of the Claim
- Activities
- Workplan
- Loss Details
- Exposures
- Parties Involved
- Policies
- Notes
- Documents
- Calendar
- Plan of Action
- Litigation
- History
- FNOL Snapshot
- ClaimCenter Administration
- ContactCenter: The Address Book in ClaimCenter

The New Claim Wizard

To open new claims, use The New Claim wizard. The screens model the manner in which a caller describes the loss, by dividing the claim into incidents. The wizard's normal workflow conforms to the type of claim, but allows for free navigation through its many screens.

The New Claim Wizard is a flexible and configurable wizard that simplifies the intake of First Notice of Loss (FNOL) information to create a new claim. This New Claim wizard offers many advantages:

- It models the natural flow of collecting FNOL information.
- It uses fewer and more logically ordered steps.

- It captures high-level details, such as the reporter, relevant parties, and loss details in an organized way.
- Many peripherally useful screens, like Parties Involved and Documents, are accessible at any time, outside of the main wizard flow.
- You can jump between steps and non-step screens.
- In the default mode, it is optimized for both personal auto and workers' compensation, but can be configured for any line of business.
- It uses incidents to organize Loss Details data by vehicle, property, and injury.
- You can pick sub flows (such as first-and-final or auto glass) to further optimize the wizard's flow.

Summary of the Claim

The default view of a claim is the **Summary** section. The Summary screen contains common information that applies to all exposures within the claim. All work to verify policy coverage and the basic facts of the incident is centralized with a single adjuster prior to dividing the work for investigating separate exposures among specialists. It contains the facts of the incident and the related policy information including limits that apply across all payments for a single incident. The claim summary contains these sections:

- Summary: The Loss Date, Location, and Description, and the date the claim was filed.
- Exposures: The type, coverage, claimant, adjuster, status, and financial summary information of each one.
- Parties Involved: A list of both the Users and Contacts related to the claim.
- Planned Activities: From the Workplan, the most urgently due claim activities.
- Litigation: A list of all legal actions related to the claim.
- Associated Claims: Other claims which have the same insured, claimant, or damaged property or vehicle.
- Latest Notes: Notes most recently entered about the claim.

Activities

Activities are the tasks to be performed in handling a claim. Examples include: inspecting a vehicle, reviewing medical information, negotiating with the claimant, or making payments. In ClaimCenter, all activities are tracked. Supervisors use activities to assign workloads based on the number of activities of each team member, and to identify problem claims. Examples include those with many overdue or escalated activities.

Activities are the application's central organizing concept for tracking the completion of all varieties of tasks. Dividing a claim's work into activities, then making list of these activities to track them to completion, defines everything that must be done to settle every claim.

The Claim Segmentation process creates an initial set of activities for a new claim, but additional activities can be added to the claim at any time.

Many users can be assigned activities on a single claim. This divides a claim into units of work, and divides the work units among users. Tracking work using activities make it easier for claim owners to perform all necessary claim-handling tasks and identify missed tasks. Supervisors and managers can track assigned work based, and to identify problem claims such as those with many overdue or escalated activities.

You can either generate or assign an activity manually or automatically. Automatic generation and assignment uses business rules and activity patterns to assign work to users based on their workloads, special skills, or location.

Workplan

The Workplan includes all activities. It does not matter whether they are completed or assigned to a specific user. The Workplan view provides a view of what remains to be done and a history of what has been done with a date. The entries on this view are activities identical to those on the adjuster's Activities List, except they are collected to show all activities specific to a given claim.

From the Workplan menu item, you can view and manage activities. To view or edit the details of an activity, exposure or involved party, click the corresponding subject, which is underlined. Similar to the Activities list on the Desktop, the following columns can appear on a claim's workplan:

- **Due:** Indicates the activity's targeted completion date. The due date is shown in red if the activity is past due.
- **Assign To:** Indicates Name of the User whom this activity is assigned
- **Priority:** The importance of the activity, typically Urgent, High, Normal, or Low. You usually work first on high priority, overdue, or new activities.
- **Subject:** Highlights the name of the created or generated activity.
- **Claimant:** Highlights the name of the Claimant.
- **Status:** The status of the activity, such as open or closed.
- **Assigned By:** The name of the Assigned user.

Loss Details

The Loss Details section of ClaimCenter displays all the information typically gathered during the first call from a claimant.

The Loss Details section contains various sections of standard claim information. To change the information listed, click Edit.

Besides the main Loss Details section, it contains the following sub tabs:

- LENS Codes
- Associations
- SIU Flag Assessment
- File Management

Exposures (Suffix)

An exposure is one of the liability items of a claim, associating a claimant with particular policy coverage. Each claim's exposure relates one coverage to one claimant. Different exposures on a claim always have a different combination of a claimant and coverage. For example, an auto accident claim would typically have an exposure for the owner of each vehicle damaged, for each person injured, and for each owner of damaged personal property.

This claimant/coverage association is central to the way ClaimCenter organizes and processes claims. ClaimCenter uses exposures as the basic unit of potential liability, and tracks financial details by exposure or subsets (cost types and cost categories) of exposures. This section also provides the workspace for you to Add, Edit, and Close exposures.

The following columns can be enabled in the Exposures section:

- #: Unique number identifying the exposure within the claim.
- Type: Type of exposure, such as Vehicle or Bodily Injury
- Coverage: Related coverage type for the exposure, such as Collision, Medical payments, or Auto physical damage.
- Claimant: Name of the claimant for the exposure. This is not necessarily the same claimant for the overall claim.
- Adjuster: The adjuster in charge of processing the exposure. This is not necessarily the same as the adjuster for the overall claim; individual exposures within a claim can be assigned to different people. While there is always one main adjuster in charge of the whole claim, that adjuster can have different individuals managing individual exposures of the claim.
- Status: Status of the exposure, such as Draft, Open or Closed.
- Remaining Reserves: Related reserve liability amount allocated for the exposure.
- Paid: Amount already paid out for the exposure. The Exposures section also has a button bar, containing the following buttons for processing exposures:
 - Filter: Filter the exposure list by claimant.
 - Assign: Assign ownership of the exposure to someone else.
 - Refresh: Show the latest list of exposures.
 - Close Exposure: Mark the selected exposure as closed.
 - Create Reserve: Create a new reserve for the selected exposure.

Parties Involved

The Claim Parties Involved section of a claim lists all the people and organizations associated with the claim. Involved parties can be divided into two categories, users and contacts. You can see them by clicking one of these sub tabs:

- **Contacts:** people, companies, vendors, or legal venues associated with the claim; the people do not directly use ClaimCenter.

- **User:** anyone interacting with ClaimCenter is a user; claim users either have work on the claim assigned to them, or have a user role on the claim. **The Contacts screen** (navigate from Claim Parties Involved) lists all of the contacts associated with the claim. This includes the insured, the claimant, the people involved in the accident, the vendors associated with the accident (such as the auto repair shop), experts, and witnesses.

To associate a contact to a claim, each contact must have at least one role on the claim. This page's upper screen is a (filtered) list of contacts, while the lower part of the screen provides a detailed view of one selected contact. These columns appear on the upper part of this screen:

- **Name:** The name of the person related to the claim.
- **Roles:** The relationship of the person to the claim, such as claimant or witness (in the ContactRoles typelist).
- **Contact Prohibited:** a Boolean field noting whether you can communicate with the contact.
- **Phone and Address columns,** which include Street Address, City, State and ZIP.

The lower part of this screen contains the details of one contact, spread over these three tabs:

- **Basic:** A summary of the most important details.
- **Addresses:** The contact can have multiple ways to be contacted; this tab shows them.
- **Related Contacts:** You can add any other contacts, and describe the relationship in any way you like. Common uses are the spouse of a witness, the guardian of a minor, and the company representative of a contact that's a company. After agents work with both branch offices (to receive claims) and headquarter offices (to receive checks), this area can relate the branch office to headquarters.

The upper part of this page also has a button bar, containing the following buttons for managing contacts:

- **Filter dropdown:** Instead of all contacts, show only those with a former role, or primary contacts, secondary contacts, litigation contacts, vendors, or contacts related to an exposure of the claim.
- **New Contact:** Create a new contact; submenus allow creation of a person, vendor or legal venue.
- **Add Existing Contact:** Search the Address Book for a contact to add to the claim.

- **Delete:** Remove a contact from the claim, including all its contact roles. This does not affect the Address Book.
- **Merge Roles:** Delete a contact after transferring its contact roles to another contact.

Policy

Policy information is imported into ClaimCenter from an external policy system. The exact policy information that you see depends on the type of claim and the application's configuration. Policy data that is imported is considered a verified policy.

You cannot edit a verified policy, although if there is additional information on the Policy section that is not part of the verified policy, that part is editable. If you enter policy information manually into ClaimCenter, it is considered unverified and there are limitations to

Every claim is a claim against one insurance policy. The claim's policy determines what is covered in the claim. The claim's overages map to a claim's exposures and its coverage limits bind claim payments.

Verified and Unverified Policies

ClaimCenter depends on an external system to provide and verify (vouch for the authenticity of) the claim's policy. Usually, ClaimCenter is integrated with a policy administration system, which provides policies that are guaranteed to be real and accurate, or verified. If that system does not provide ClaimCenter with a verified policy, you can enter policy information to open the claim. You can also edit a verified policy. However, the policy you create or edit in this way is always unverified. This means that the claim passes validation only at the New Loss level, but not at the Ability to Pay level. To make payments and complete a claim, ClaimCenter therefore needs a verified policy.

Validating Policies

Every claim must be associated with a policy when it is first created. ClaimCenter validation rules verify that when claims are first created, they are associated with a policy, even an unverified one. This enables a novice call center employee to start the claim process. However, as claim processing progresses to making payments.

Notes

The Notes screen is the most important place where claim information is stored. This screen contains controls on the left for filtering the notes, and a section on the right showing the notes related to the claim. For more information,

One of an adjuster's most important tasks is adding notes that track the progress of a claim and associate detailed information to the claim. Notes are a versatile and simple way to let all users keep a detailed record of all of the information, actions and thinking related to the processing of each claim. Notes cannot exist independently; they are always associated with a specific claim or one of the claim's parts.

Use Notes to:

- Create a note in most claim-related screens. This includes all claim, exposure, financial and matter screens, besides all New Claim wizard screens.
- Create notes without a note template.
- Use a note template to create specific note types.
- Attach a note to a single claim, or one of its exposures, activities, matters, or claim contacts.
- Make a note confidential and give it additional security with ACLs.
- Edit and delete notes, if you have the proper permission.
- Search for notes with a wide variety of filters.
- Link external documents to a note.
- Create a note while performing an activity.
- Create a note with rules or in workflows.
- Create new note templates.

Documents

ClaimCenter manages claim-associated documents. These documents can be either online documents, created within ClaimCenter, or hard copies. For example, you can write and send the insured a letter to acknowledge the claim. Or the claimant can email you a map of the loss location. You manage all of these varieties of documents within ClaimCenter.

Use the document management system to:

- Create new documents, involving templates and optional approval activities.
- Store documents, both those you create and those received from other sources.
- Search for documents associated with a claim, and categorizing them to simplify the searches.
- Link to external documents.
- Indicate the existence of documents that exist only in hardcopy.
- Remove documents.
- Associate a document to a single claim, exposure or matter.
- Associate the creation of a document with an activity.
- Create and send a document while performing an activity.
- Create and send a document with rules or in workflows.

Calendar

ClaimCenter contains a variety of calendars to help organize activities. The calendars display activities in monthly and weekly views. Access calendars from either the Desktop or Claim tab. Additionally, filter the activities and view activities from multiple users if you have supervisor permissions.

ClaimCenter contains a variety of calendars to help organize activities. They show activities in both monthly and weekly views. Access these calendars from either Desktop or Claim, and filter the listed activities in a number of ways. Supervisors can view activities from others. Since in previous versions, the calendar existed only for activities related to matters, you can still filter the activities to show those related to legal matters.

Plan of Action

The Plan of Action section of a claim tries to help you settle complex claims without resorting to legal action. It has two options:

- Evaluations - this screen tracks the expected claim liabilities and helps you evaluate a claim's possible, expected and worst-case cost scenarios. It helps you track both actual claim costs and possible punitive damage costs. Knowing the potential financial exposure will help you in both negotiating a settlement and planning your response to any litigation.
- Negotiations - this screen helps you plan how you will discuss the claim when negotiating a settlement with the claimant or representatives of the claimant.

Litigation

For claims that involve legal action, the Legal Matters screen shows the legal matters that are pertinent to the claim. A matter is the set of data organized around a single lawsuit or potential lawsuit. A matter includes information on the attorneys involved, the trial details, and the lawsuit details.

Most claims are settled without conflict. Some, however, cannot be settled without mediation, arbitration or lawsuits. ClaimCenter contains tools that organize information for these methods of conflict resolution. These methods include:

- A formal legal process, involving hearings and lawsuits
- Arbitration as a formal alternative to a legal process
- Mediation, an informal alternative
- Simple Negotiations with no legal underpinning. ClaimCenter handles negotiations differently than matters.

In these cases, you determine the possible extent of your legal liability, by evaluating your possible and maximum settlement costs. You can either track and manage your legal costs in The Budget Lines Screen or use the Evaluations screen.

The matters feature enables you to:

- Create matters screens that support both informal (mediation) and formal legal process flows.
- Show information relevant just to new matters.
- Create screens for each matter in a claim, and then manage multiple issues on each matter's single screen.
- Organize information as separate matters of different types (General, Lawsuit, Arbitration, Hearing and Mediation).
- Manage your legal costs with a Budget Lines screen that tracks both budgeted and actual legal expenses.
- Show all matters on a legal calendar.
- Look at all pending matters from the Desktop.
- Prevent deleting a user who has an open matter.
- Use Access Control Lists to divide matters into different security classes and define security for each one.

History

The History screen provides an audit trail of actions taken on the claim. It records all the events associated with a claim, including the viewing actions: tracking whenever a claim is viewed.

The History tracks the following for each event:

- **Type:** Indicates what happened to the claim, such as it being viewed, an exposure being closed, an exposure being reopened, flagged indicator being set, and so on. Viewing events record every user that opens a particular claim. This is helpful in tracking whether an adjuster has been working on a claim enough or whether non-authorized users have been viewing claims. For a full list of what can be recorded in the history, review the History Type list in the ClaimCenter data dictionary.
- **Related To:** Whether the event occurred on the entire claim or a part of the claim such as an exposure.
- **User:** User who triggered the event.
- **Time Stamp:** Date and time the event occurred.

- Description: A brief description of the event. The History screen also has a button bar, containing the following buttons for managing history events:
- Filter: Filter the history list by the type of event.
- Refresh: Show the latest list of history events.

FNOL Snapshot

After a claim is created within ClaimCenter, or imported as an FNOL into ClaimCenter from an external system, ClaimCenter preserves a snapshot of the initial claim data. Subsequent changes to the claim in ClaimCenter do not affect this snapshot, which always shows the claim data at the time it was first obtained by ClaimCenter. The FNOL Snapshot screen, reachable from the navigation panel, shows the snapshot data, if you have enabled this feature. The Enable Claim Snapshot parameter in the miscellaneous section of config.xml determines whether these snapshots are visible in ClaimCenter.

Why Insurance carriers prefer ClaimCenter

There are only two levers available to drive operational profitability in the P&C insurance market. One lever is to increase profitable revenue; the other is to reduce costs. An insurer's claims department serves a critical role in applying each of these levers.

Providing outstanding claims service is key to ensuring profitable retention. Outstanding claims service means providing a quick response, accuracy, fairness, and consistency.

The ongoing soft market condition has fueled insurers search for opportunities for operational cost reductions. With claims accounting for the lion's share of insurers' cash outflows, carriers are insisting their claims departments increase their efficiencies and lower leakage while providing even better and more timely claims service to support customer retention goals.

This cannot happen without modern claims systems. Without immediate action, antiquated claims adjusting technologies and a shrinking pool of both IT and adjusting talent will prevent claims departments from achieving their critical contributions to a P&C insurer's operational profitability.

Summary

ClaimCenter is an insurance claims management system. It is an enterprise software application that combines claims accounting systems and point solutions for decision support. It manages the claims process from first notice of loss through execution of financial transactions, including the payment and setting of reserves. It also manages claims information and coordinates the claims process to ensure compliance with corporate policies and claims best practices.

Declaration:- Few points of this White paper is taken from Guide Wire Application Guide.