

TPA Best Practices: 3 keys to differentiation

- **Unlocking the power of automation**
- **Success with evidence based medicine and comorbidities**
- **Selecting the right technology partners**



Unlocking the power of automation

A 2016 workers' compensation benchmark study found that half of all high performers employed automation at specific intervals in the claim cycle. Additionally, high performers were almost **4X more likely to rely on automation** throughout the cycle than all other groups. Given that another workload study, which conducted over 4,500 interviews with claims professionals, found that adjusters spend up to **half of their hours on non-core tasks**, it is clear that removing administrative burdens on adjusters is critical to becoming a high performer in the industry.

Employing Workforce Automation with Origami Risk

The workload study estimates that the average adjuster has 130 open cases, with an average of 20 attachments per case, many of which are sent via email. If it takes an adjuster 1 minute to open the email, download the attachment, and then upload it into the case file, it would **take one full week simply to manage those documents.** With Origami Risk, this process takes seconds. When a case-related email with attachments is forwarded to a dedicated Origami address, the system verifies access rights to the proper claim based on the sender's mail address. It then uploads the email message, along with all attachments, directly to the claim record.

Reducing the amount of time spent on repetitive clerical and administrative tasks doesn't end with the ability to automate file attachments. In Origami Risk, numerous workflow automation options are available, including:

Custom notifications – Eliminate “one-off” composition of emails through the use of email templates and custom notifications triggered by events

Mail Merge Word Docs – Generate custom letters that are pre-filled with specified claim details, then make any changes necessary before sending

Regulatory Reporting – Automatically populate and transmit forms to regulatory agencies to ensure compliance

Approvals and payments – Generate checks with automated routing for escalation and approval. Interface with third-party systems to exchange up-to-date claim financial details.

Using Automation to Shift from Reactive to Proactive

The same easy-to-configure, event-based automation that can help your adjusters reclaim the half of their day lost to non-core, administrative activities can also be used to alert stakeholders the need for intervention and to keep customers informed. Supervisors or claim quality auditors can be notified as soon as cases trigger any condition that indicates potential issues—for example, under-reserved claims or reserve stair-stepping. Account managers can



have custom reports automatically generated and emailed to stakeholders as soon as a customer reaches thresholds on self-insured retention or per-claim deductibles. By removing the daily noise, each level of management can focus on the areas where they will have the most immediate impact. Zeroing in on issues at the moment they bubble up shifts the focus from reactive to proactive.

Impact Throughout the Claim Cycle

The benchmark study also highlighted the impact that utilizing automation throughout the claim cycle can have. Origami Risk allows you to automate all levels of the claim cycle. From notifications and document management at the adjuster level, to trend notifications and automated PowerPoint template creation for account managers and the executive team, to automated report generation and distribution for clients, your organization can streamline specific processes at each stage.

Moving to Best-in-Class

Automation plays a clear role in building a best-in-class claims operation, which helps TPAs grow their business. With Origami Risk, harnessing the power of automation is simple. Free adjusters from administrative work and let them focus on closing claims, break down information silos, and help zero in on the most critical cases at the time when intervention can have the most impact on positive outcomes. Best-in-class organizations rely on automation to drive cost reductions through early intervention, reductions in administrative overhead, and faster claim closure. Origami Risk makes it easy for any TPA to employ best-in-class practices.



Success with Evidence Based Medicine and Comorbidities

A major 2016 Workers' Compensation benchmark study found that one of the largest differentiators of high-performers versus all other groups was the use of Evidence Based Medicine (EBM) guidelines. Users of EBM data were more than 4X more likely to be top performers than those who did not. The same study included a survey asking "What are the greatest obstacles to achieving desired claim outcomes?" Respondents ranked "Psychosocial/comorbidities" as the number one issue.

Using Origami Risk and ODG

Origami Risk is integrated with the Official Disability Guidelines (ODG) from the Work Loss Data Institute. Origami Risk's ODG integration provides direct access to EBM data aggregated from over 10 million cases and decades of research. Risk scores and return to work estimates make it easy to identify the claims with the most risk. This allows for the early intervention that has driven down average disability duration by 30% for typical ODG users. With ODG guidelines and recommendations attached directly to the claim, Origami makes it easy to incorporate EBM best practices into any claim management process.

Cited as the number one obstacle in the benchmark study, properly adjusting the risk scores and reserve estimates

for claims based on changes in comorbidity factors can be challenging. Origami Risk includes comorbidity factors such as smoking, obesity, diabetes, and obtaining legal representation. As soon as any comorbidity factor is checked, ODG automatically updates risk scores, reserve recommendations and return to work estimates based on ODG's comorbidity calculator that draws on the largest database of actual disability experience data available.

Leveraging Report Triggers

Combining the vast best practice data from ODG with the powerful reporting features in Origami Risk makes it easy to identify and manage the most critical cases. Triggers can be set on claim risk scores, changes in reserves, return to work estimates, or any other ODG data. Any claim that meets these custom criteria can automatically create a task assignment for an adjuster to intervene, send alert notifications to supervisors, and email auto-generated reports complete with claim data to management. Escalating the claims that require immediate intervention turns the best practice goals of ODG into specific, concrete actions that ultimately reduce return to work timeframes and lower associated costs.

A TPA Differentiator

The benchmark study showed that while high performers were far more likely than other groups to use EBM tools such as ODG, it was still used by less than half of TPAs surveyed. This represents a large opportunity to provide a level of service that exceeds the competition. Origami Risk's ODG integration makes it easy to monitor performance against best practice data, identify early which cases pose the biggest potential risk, and keep all levels of the organization focused on the most critical cases. Because the integration is real-time, ODG estimates change as soon as any factor is updated without having to re-run calculations in a separate application.

Incorporating EBM and comorbidity data into claims management is an important factor to reaching best-in-class performance. Origami Risk's ODG integration provides both of these features. Direct access to the ODG evidence-based metrics and comorbidity impacts alongside all other claims data makes it easy to hone in on the claims for which early intervention has the greatest effect.

Selecting the right technology partners

Choosing a technology partner is increasingly becoming a more critical strategic decision for TPAs. In Accenture's Technology Vision for Insurance 2017, **76% of respondents agree** that "competitive advantage will not be determined by their organization alone, but by the strength of the partners and ecosystems they choose." Identifying technology solutions that support the company mission and differentiate your organization from the competition is an important part of developing an effective business strategy.

Utilizing "The One Number You Need to Grow"

In a 2003 Harvard Business Review article titled "The One Number You Need to Grow," Frederick Reichheld at Bain & Company introduced the Net Promoter Score (NPS). NPS measures the percentage of customers that would recommend a company's services to others. It also appears to be a primary indicator of growth. Reichheld stated, "Remarkably, this one simple statistic seemed to explain the relative growth rates across the entire industry." TPAs can

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use this metric to identify technology partners that deliver superior levels of service and are on a growth path.

Bill Macatis, CMO of Slack and former CMO of Zendesk, pointed out the NPS gap between the top tier of software providers and the rest. "Best in class companies achieve a score of 70 on a scale of 100, but according to Zendesk data, the **typical B2B software company achieves only 29**. NPS is a leading indicator of future growth." The 2016 Advisen Review compared NPS scores across RMIS



solution providers. With an NPS score of 93, more than triple the nearest competitor, Origami Risk not only outpaced all peers, but achieved a score that tops renown brands such as Apple (89), Starbucks (77), and Amazon (61). Including NPS scores when selecting technology partners can help identify best in class vendors with the most potential for long-term growth.

Employing Technology During the Sales Cycle

Technology partners directly affect how TPAs compete and grow their business. The ability to effectively demo customer-facing technology is another key differentiator. Research shows that most buyers want this to happen much earlier in the sales process than most organizations expect. In the 2016 study "Buyers Speak Out: How Sales Needs To Evolve," HubSpot published data that showed that most businesses are giving demos at the wrong time. "Often sales organizations peg the demo as the final closing action. Our data shows that **a third of buyers want the opportunity to see a product in action very early on**. They want a very tangible understanding of what they're potentially buying, and they want it right away." To move up the demo process to early in the sales cycle requires a highly adaptable infrastructure.

Origami Risk and Claimwire (an Origami Risk company) provide TPAs with the flexibility to customize a demo quickly. In a recently published case study, Emily Kephart, Claims Operations Manager for Athens Administrators, spoke about the need for clients to see the system first hand. "We wanted to make it easier for our sales team to demo and show prospective clients, "This is how easy it is to enter a claim." Athens was able to quickly configure Claimwire to match the specific needs of each prospect. "As a TPA, we know that what clients want is personalized service... We're always looking for ways to make our service unique." Both Origami Risk and Claimwire allow TPAs to quickly tailor the system for a demo and let potential customers see for themselves how their specific challenges are solved.

Gaining a Competitive Advantage Through Technology

Technology partners are critical components for TPAs looking for a strategic edge. Metrics such as the NPS scores found in the Advisen Review can help identify those partners offering best in class service and those most likely to be on a growth curve. Additionally, high performing TPAs need to be able to offer customized demos earlier in the sales cycle, when buyers prefer them.



With these strategies, the technology ecosystem that high performing TPAs choose can become a competitive advantage.

ABOUT ORIGAMI RISK

Origami Risk has consistently been named the leading unbundled risk management information system year after year by users and independent third party surveys. A mutual respect for our customers is really at the heart of all business decisions—from how we build our product, to the technology we've chosen to support our product, to the professionals we hire to serve our clients.

We take customer satisfaction seriously at Origami Risk, and we have the results to prove it with industry-leading awards and incredibly loyal customers who continually validate our product and services. Gain efficiencies with easy-to-use software. Achieve success with analytics that prove your results. And experience satisfaction with a collaborative and customer-focused service model.

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