Case Study | Insurance | Discovery Benefits

Process improvements with OnBase set insurer up for extraordinary growth

Discovery Benefits® simplify.℠

Customer
Discovery Benefits

Industry
Third-party benefits administration

Employees
340

Location
Fargo, North Dakota

Integrations
SAGE
Evolution 1
Benaissance
Mitel

Departments
Enterprise-wide

The Challenge

The complex, multi-step procedure for receiving, sorting and processing claims at Discovery Benefits was slow and involved too many touch points. Manual tracking and data entry required staff to pass paper forms back and forth between teams. With a CRM that provided limited reporting functions, getting information to customers and managers about the status of a claim meant digging through paper files.

The company was also overwhelmed with the overtime costs associated with a manual customer renewal process each year. Leaders realized they needed to find a profitable way to grow. That's when Discovery Benefits discovered OnBase by Hyland.

The Solution

Since deploying OnBase in 2008, Discovery has grown from providing benefits for 1.25 million people to more than 5 million. The company has processed just over 60 million documents into and through OnBase, with nearly 29.5 million still in the system. As the staff has grown from 120 to 340, the organization has cut out the barriers of paperwork and let employees take on more essential responsibilities – like using OnBase to review accounts electronically and discover uncollected fees.

Discovery has achieved one business day turnaround of claims coming in via fax. A fax server sends electronic forms to OnBase, where they are automatically indexed based on the claim number. Once uploaded into the system, Discovery offers customers the option of viewing their forms online so they can see the status of their claims and whether they need to follow up with more information. Discovery's staff spend far less time fielding calls from customers and searching for paperwork.

"Our scalability would be a fraction of what it is today without OnBase. OnBase has helped give Discovery Benefits an unlimited upside."

–John Biwer, President, Discovery Benefits

IDT
putting paper in its *place*

OnBase® by Hyland

"Thanks to the efficiencies created with OnBase, we have absorbed tremendous growth. In our claims department we have less people today than six years ago with four times the business."

–John Biwer, President, Discovery Benefits

"We saved around $3 million in paper costs alone since deploying OnBase – about $500,000 a year," said Dean Johnson, OnBase senior engineer at Discovery Benefits. "That's in addition to a 68 percent decrease in printing supplies." And then there are the staffing costs. Before OnBase, Discovery processed 1,500 to 2,000 claims a day – about 60 to 80 per claims specialist. Currently, the provider is processing 5,500 to 6,500 claims per day. "This breaks down to 250 to 300 claims processed per claims specialist per day," said Johnson. "If we didn't have OnBase, we would need roughly 80 or 90 claims specialists to keep up with the incoming claim volume."

With three-quarters of Discovery's staff in OnBase eight hours a day, the IT team has to work fast to keep up with internal process changes. Thanks to the functionality of OnBase, those are two-day projects instead of two-months. Staying ahead of the speed of business is just one way Discovery has realized growth, even during the recession.

"Employees are always looking for a way to do something easier, quicker or better," said Johnson. "OnBase allows us to do that. There's always something we can do to make someone's job easier."

The Difference

Transforming manual processes: Year-end customer renewal involved an all-paper process, with employees putting in 20-plus hours a week in overtime five months out of the year. Putting the whole process into OnBase completely cut out staff overtime – and frustration – and gave them access to all renewal paperwork in a streamlined workflow.

Providing transparency: With all data centralized in OnBase, managers and supervisors run customized reports, giving them greater visibility into employees' workloads and progress. Lack of visibility used to mean weeks of digging through call logs. Now, additional training for an employee or intervention with a customer happens almost immediately.

Improving risk management: On a normal day, Discovery processes around 2,000 checks. Managing the process through OnBase allows Discovery's accounting team to instantly detect discrepancies between checks written and checks being cleared and investigate whether a check should be denied.

For more information, visit **www.idt-inc.com/insurance**

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