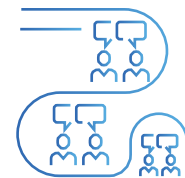


# How Insurance Operations Can Ace Customer Communications

WHITE PAPER

## Abstract



Insurance organizations globally are focusing on digital engagements to deliver enhanced customer and agent experience. Customer communications, a specialized area, has grown complex due to regulation variations across geographies, mergers/ acquisitions, and IT system duplications, all of which add challenges with respect to statements, forms for services, and higher turn-around time of operations for both customers and agents.

TCS' experience in thought leadership and solutions development has helped enhance digital customer experience while reducing operating costs. This is made possible by integrations, templating documents, re-use of templates, focus on technology and compliance, and bringing automation in communications with customers and agents.

# Introduction

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Businesses with a focused approach to customer experience have performed well in the market even in challenging times by improving customer lifetime value using new features for improved customer engagements. Insurers who invested in customer communications, one of the building blocks in the overall digital customer experience, reaped rich dividends, with digital documents offering carriers, agents, and customers a better experience through seamless and consistent interactions.

TCS' electronic content management services in the insurance industry include automatic document generation, multichannel delivery, storage and search retrieval, and digitization, indexing and tagging of incoming documents for operations. Together, they introduce collaboration, digital engagements, and sharing among stakeholders and enable flexibility in operations. This, in turn, results in speed to market, cost savings, and better digital customer experience across the value chain.

# Challenges

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While the insurance industry has traditionally regulated the prescribed forms, statements, signatures, follow-ups, and delivery confirmation, the technological growth and multi-channel delivery capability provided many advancements in the industry by increasing the collaborator opportunity with customers and agents. With respect to the insurance (in all LOBs) value chain, the following are the various aspects of the communications we would like to discuss in the paper

## **Manual Forms/Applications**

Most insurance applications and requests for services forms are manually filled with the agent's help. These forms go through logistics challenges, scanning, indexing and in some cases, clarifications/follow ups are needed, which results in re-work and inefficiency. Few insurers are able to adopt electronic platforms integration and prefilling of forms without manual interventions.

## **Statutory Documents**

For business events and transactions, we generate documents that are physical versions of records of transactions and also used for communicating with customers and agents. Major transactions include quotes/illustrations, policy packets, welcome kits, billing and premium receipts, tax forms, policy changes such as an address change (confirmation/rejection), investment strategy change letters, approvals, payments, and those related to life events (marriage, divorce, retirement age, death etc.). There are

state-specific regulations letters/forms, and regulatory-specific letters determined by agencies such as FINRA, SEC, etc. There will be additional branding and marketing requirements of the carrier. Today, most companies have manual processes that result in higher cost of operations and are prone to inconsistencies.

There are instances where the operations team has to create documents manually, without templates, including unanticipated business scenarios such as complaints or follow-ups. Compliance issues and inefficiencies creep into the process since the documents have no centralized storage nor audit trails.

### **Alerts/ Reminders**

Alerts and reminders to customers and agents are only present with a few top-tier insurers today. Yet, despite delivery technology being inexpensive and straightforward, the quality of the data leaves much to be desired. In some states, electronic documents are considered valid in lieu of the physical ones, given accurate representation and verified capability. This kind of electronic reach helps carriers orchestrate customer relationships, network, and service management.

### **Digital Operations Support**

Incoming customer requests are either snail mail, fax, email, or electronic applications. All traditional channel communications go through mailrooms where the request is researched, scanned, indexed, and sent to document storage and admin system, with workflow items for operations. The operations team may make a copy / version if required, make highlighting/marking or make notes on the document, so that the downstream operators can take any suitable actions.

However, in some organizations scanning and indexing involve major manual interventions on account of legacy technology, old scanners, lack of integration capabilities, and data integrity in operational data store/datawarehouse solutions.

## Recommendations

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Based on our experience, here are some design considerations for developing a digital communications solution:

### **Composability of the Document Template**

The documents are generated based on templates pre-designed by the business and IT. These are XML-based components that are arranged as an assembly of sub-assemblies of XML elements. They represent every attribute that goes into forming the overall document when it is generated. This includes fixed/variable text, images, logos, borders, etc.

A suitable integrated development environment (IDE) and storage can build a repository of reusable components (XML component assemblies) that can create templates with ease and consistency. A similar template can be used for composing forms, email, or SMS. This will rationalize and optimize the actual number of templates used within an organization, reduce maintenance costs, and improve the end-customer experience.

### **Ability to Generate Documents Dynamically**

The admin system should support the capability to create documents dynamically, at any time, either as batch or real-time, based on the batch calendar and for real-time business transactions. The admin system should also be able to send "event" and "document model" to the document generation engine for documents to be rendered with the data provided.

Storage and routing requirements are fulfilled based on document configuration. Similarly, forms can be prefilled by the carrier and dynamically generated to be sent to the customer/agent for editing and signing.

Enterprise document generation systems must support an interactive model of document generation, with security, audit, workflow, and compliance built-in to support operations staff for ad-hoc communications.

### **Ability to Store and Retrieve On-demand**

Generated documents must be stored with their meta-data and index. Modern document storage solutions provide search APIs that support full-text search, faceted search, indexing, clustering, and ranking. Depending on requirements, it should be possible to create and store documents in PDF, TFF, Postscript (EPS), JPG, GIF, or PNG formats.

### **eSignatures**

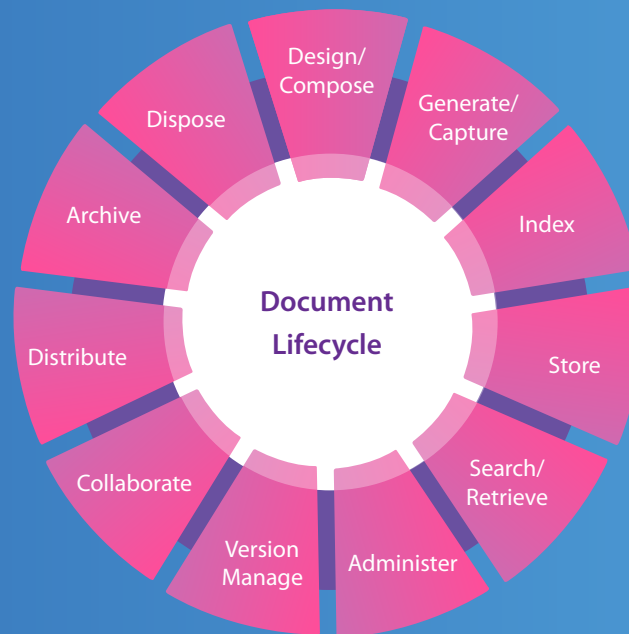
Signed documents are non-repudiated and encrypted with audit trail information using digital certificates, asymmetric or public-key encryption, IP address capture, and two-step verification for signers and signatories. Implementing an e-signature solution may require integration with a service provider, and workflow automation must be included in a process. In the United States, the passage of UETA (1999) and the ESIGN Act (2000) has prompted carriers to adopt and implement this with 256-bit encryption and multilayered security protocols, with compliances such as FIPS 140-2 and ISO 27001.

### **Multichannel Support**

Customers and agents can access their documents and statements anytime and anywhere through their carrier or partner portal, mobile apps, email, or on-demand delivery through any of the conventional channels. Similarly, document submission/upload is also possible through any channel supported through e-signatures. These are possible through APIs and integrations.

## Document Lifecycle Management

The lifecycle management of the documents supports in delivering the digital customer experience through all channels of customer integrations available today.



*Figure 1 Document Lifecycle*

**Compose/Design** – The composability and design of the document templates as discussed above should engage even business users with low technical knowledge.

**Generate/Capture** – The document generation engine should create documents based on the data provided from admin system and CRM systems through the APIs. Modern scanning and indexing are supported by ICR/OCR and AI technologies for automatic data/meta-data extraction for automatic indexing and workflow creation for incoming requests.

**Index** – Based on the indexing, the documents are searchable and retrievable, authenticated and authorized through identity and access management solutions.

**Store / Archive** – The generated document or image is stored in compatible storage that supports high availability and all access protocols. Storage solution should have a built-in archive capability to move older documents to cheaper storage, based on business policy and business rules.

**Version Management** – The need for versioning documents stems mostly from images that come from customers through mailroom, emails, etc., with logging and auditability.

**Administration** – Storage management, access management, policies, and rules for document maintenance/lifecycle.

**Collaboration** – Collaboratively develop the document templates with users who have multiple roles during creation time. For document delivery and electronic delivery channels integration, collaborate with external stakeholders, as well.

**Distribution** – The solution should be able to distribute the document through all channels, based on a customer's preferences at a document category level.

This requires integration with services available on-premises or on cloud. The solution should be able to collate, group, order and convert the documents for printing to any format, with specific separators for various print partners.

**Dispose** – Documents are disposed off based on the retention policies and governance within the geography.

## Conclusion

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TCS' experience of working with many insurers has enabled us to clearly identify patterns of inefficiency, lack of customer and agent engagements, and compliance to enhance customer lifetime value by introducing automation in your insurance journey.

Using our integrated solution approach, we are able to weave together all customer data to build and present a unified profile of customers in real-time, in a click. With the right kind of investments in IT and operations, it is possible to form a digital operating model that guarantees data quality, document lifecycle, security, compliance, and systems integration. Across conventional and digital channels, we can design, connect, deliver, and manage experiences as a single, consistent version of the truth, throughout the context of the customer journey.

An open and flexible system architecture integrated with wider insurance ecosystem of service providers and partners is possible. We have stretched self-service capability into the documents and communication areas as these can be self-generated and delivered, encouraging green computing, remote working, reduced branch visits, greater transaction processing ability, improvements in turn-around time, and cost-reductions while remaining compliant.

#### About The Author

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Sajan is a Lead Enterprise Architect with the TCS BFSI Platforms business unit. He is responsible for defining architectural solutions for large transformation programs, digital consulting, developing and delivering some of the landmark capabilities to insurers in the industry. He has a post graduate degree in Computer Science.

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