

## HP Helps Time Insurance Company Live Up To Its Name

"Sooner is better" is a long-held insurance-industry axiom. To the uninitiated that makes sense when it comes to signing up new clients. But it also applies to settling claims. In insurance, it's better for business to pay up as fast as possible after an incident: clients are happier and claims are lower.

In today's environment, where healthcare costs are a major portion of the GNP, "sooner is better" has never had more meaning to health insurers such as Time Insurance. Established in 1892, Time markets individual and small-group medical insurance in 47 states through 16,000 independent agents. At the beginning of 1993, they had over 300,000 individuals insured directly; with dependents, the number covered approaches 1,000,000. Time's 1500 Milwaukee-based employees service these individuals, agents and related healthcare providers.

## How HP Helps Time's Information Systems Group Provide Information Sooner... and Better

"The Information Systems (IS) management challenge in insurance is the same as the insurance-business challenge: sooner is better." According to Roger Vermillion--Senior Officer, Information Resources--the IS group and line departments started looking in 1990 at future IS needs, including the new Member Services call-handling-and-logging application recently installed on a Hewlett-Packard client/server network.

Their major objective was make operations better than ever for users, whether sophisticated statistical software users like actuaries or Customer Service Representatives (CSRs) who have had to struggle for years with multiple 3270 screens, a separate messaging service, manual logging and slow communications links.

Time Insurance chose Hewlett-Packard as its first client/server provider based on HP's product performance, market leadership and HP's participation in standard-setting bodies. Although Time began the movement to client/server with the Member Services application (because "sooner is better"), they also want to build a client/server infrastructure both for future applications and to protect their current mainframe and PC investment. And "they don't want to ever eliminate options; they want to be able to mix and match" components of their new computing mode from whatever source offers the best price and performance.

## Line Department Involvement Helps Break the Old Cycle of Long Development Projects and Unhappy Users

To outline Time's move to client/server, Roger Vermillion contrasted the traditional IS development cycle with today. In the past, a business requirement was identified, followed by analysis, coding, testing, and debugging suitable for a pilot test. The line department would say, "OK, but..." which would lead to iteration two, three or more of the cycle and "no one is ever happy."

Today, there are new dynamics of the IS business to add: heavy interest from line management in solving problems with PCs to hold down costs, and line-department users effectively dictating development timing, expecting production-level applications as quickly as they do small ad-hoc applications on their PCs themselves. And Vermillion also faces the new dynamics of the insurance business: company requirements changing much more often to better serve clients and an industry in change because of major governmental pressure to lower costs and manage healthcare.

If IS management is not careful, it's very easy to replace one "no-one-is-ever-happy" situation with another. So a key move was to turn the line department's interest in the application to a positive. Time chose Member Services as the place to begin because the Member Services' CSR team was demanding a new way of doing business. Although the data they need all the time was available, it resided in multiple mainframe applications that were hard to reach interactively -- the way the customer wants the answer.

Pat Hall, a Time IS systems planner, says IS compared implementing this application strictly with the mainframe, strictly with PCs, or via a hybrid workstation-based client/server arrangement. It was determined that Time needed RISC/UNIX client/server for performance reasons. And as the purchase and installation process proceeded, all parties continued to work at consensus. In fact, four CSRs make up the technical team that set application requirements for the IS group.

## Now Member Services is Handling Its 30,000 Weekly Calls and Transactions Sooner... and Better

The Time Member Services application operates on an HP Model 827 database server with over 100 HP 705 and HP 715 workstation clients online or on order. An OpenConnect gateway handles mainframe communications. Calls to a touch-tone voice response unit on the local network are even logged and analyzed.

With Time's distributed computing philosophy, most policy data remains for now on an Amdahl mainframe. But the 827 server retains important customer information relative to recent calls and claims, previous inquiries, referrals, etc. In the first phase, the system accesses key CICS databases on the mainframe via a CICS front-end tool and other mainframe data via 3270 emulation; eventually, they hope to eliminate most of the emulation.

Chris Dowler, the principal systems planner and technical designer of the Member Services initiative, built the Member Services application around the Aurum SupportTrak customer service solution. Written in Unify's Access 4GL, the Aurum software includes help-desk and knowledge base

tools that allow Time Member Services CSRs to track service issues and analyze patterns more quickly than when they simply depended on their own experiences. They can also exchange messages with each other over the LAN. The Aurum applications coexist with the 3270 Telnet that lets CSRs access the mainframe. Personal productivity tools will be added to the workstations soon.

Chris says "It is important to sell management on the vision." In this case, that can be taken literally as well as figuratively. In addition to the new capabilities, the CSRs are provided new 19-inch monitors and multitasking windowing so that they can access almost everything they need while the customer is on the phone.

"The IS management challenge in insurance is the same as the insurance business challenge: sooner is better "

-Roger Vermillion

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