

Wynsure Case Study Capitol Insurance Companies

Medium-Sized Carrier Gets Big Capabilities

Award-Winning Program Paves Way for State-of-Art Future

The Challenge: Put Producer Management, Claims and Policy Systems on One Platform

Capitol Insurance Companies wanted to put core functions on one platform to cut costs, boost speed to market, automate underwriting and give producers such great service they'll always look to Capitol first.

Capitol writes commercial property-casualty insurance through a nationwide network of general and independent agencies. It provides specialty programs to businesses ranging from adult day care to walkathons and wrote \$172 million of premium in 2009.

Claims, producer management, and workers' compensation were on one legacy system, and policy administration for all other lines was on another. It was difficult to make enhancements, and the original claims vendor had been acquired.

Instead of replacing old systems piecemeal, Capitol decided to select a vendor that could do the whole job on one platform, says Alan Ogilvie, vice president. Its RFP called for:

- Creating a comprehensive producer-management system covering everything from CRM to licensing.
- Replacing the claims system.
- Replacing the policy administration system.

The Solution: Wynsure Ties It All Together

Capitol chose Wyde after an exhaustive Request for Proposal (RFP) process that included more than 90 potential vendors. Ogilvie says Wyde could handle the consolidation because its Wynsure software supports claims and policy administration and other functions

on one platform. Its modern architecture lets business users make certain enhancements without involving programmers, lowers costs of maintenance and processing, and interfaces readily with other internal and external systems. And the quality of Wyde's staff was equally impressive, Ogilvie says.

The producer module, completed in six months in 2008, handles all aspects of managing producers, from customer-relationship management to licensing. It accommodates traditional and non-traditional agencies, facilitates clear communications between Capitol and its agencies, and tracks detailed customer feedback and data.

A.M. Best was so impressed by CAP Online Producer Functionality it named Capitol a finalist in its prestigious 2009 E-Fusion Award.

Next came development of the claims system, and here the biggest challenge was data migration. Ogilvie says: "This is where you win or lose." He wanted to be sure that claim data going back years would be

usable—a challenge because people use fields for different things over time.

"Wynsure worked very well with the migration," he says. Wyde and Capitol programmers meticulously mapped the data to ensure a successful migration. Capitol also put up a new line, commercial auto, on the Wynsure system so it would be available before the new policy administration system.

In 2009 implementation of the new PAS began. With Wyde's iterative agile approach, the project proceeded swiftly. Capitol launched commercial auto on Wynsure first so staff could learn the new software without affecting existing lines. Workers' comp and then all the other lines were then implemented.

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The Results: Saving Time and Money, Nimble Response to Opportunities

The producer system is saving time because it puts all producer information and communications in one place. With its built-in CRM features, it gives Capitol a competitive advantage in the ongoing battle to win producer mindshare.

The claims system supports all lines and is fully integrated with the policy and producer systems.

"The big thing is having a single platform," Ogilvie says. "It's incredibly useful to have a programmer working on a claims item Monday and Tuesday on a policy item. Before, programmers had to be trained in different 'languages,' and we had no flexibility."

Wynsure lets the company react to opportunities faster. Instead of getting in line at the vendor, Capitol's staff now develops new products and upgrades faster and better because they understand the business better than any outsider.

When Capitol recently had an opportunity to underwrite a new program, it didn't have its workers' comp system available in a key state. No problem. It got workers' comp going in six weeks, "which is very fast," he says.

Some of Capitol's top general agencies use Wynsure via the Web to quote, rate and issue new commercial auto policies just as efficiently as Capitol's own staff does for all lines today. Independent agencies typically submit applications by fax and other means—but that's changing.

Upload, Download and Automated Underwriting

All the work so far has laid the foundation for the most exciting development: data upload and download to agencies and automated underwriting—all made possible by Wynsure's architecture and ability to interface with agency systems.

Download begins in early 2011, and upload will be available by the end of the year. Upload is the "coolest feature", Ogilvie says. It will let independent agencies enter new-business applications in

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their agency management system and hit a button to transfer the data to Capitol for quoting and issuance.

When Ogilvie went to look for a solution for automated underwriting, he found it right in front of him.

"We compared Wynsure's rules engine against those sold as a separate best-of-breed underwriting module, and it's at least as good as any of them," he says. Since the underwriting module is part of Wynsure, it saves money and is already integrated with the policy system.

With automated underwriting, if a new-business application passes all items, the policy will be quoted and rated without any human interaction. Once the agent accepts the quote, it will be issued electronically.

That's slick, but the "refer" feature will perhaps be even more powerful, Ogilvie says. Suppose nine of 10 underwriting items are okay. The system will alert the underwriter, who can look at the item in question, and if it's routine, clear it in a couple of minutes and release the quote back to the agent.

Efficiency is the name of the game, especially with small accounts. "If an agent is getting a \$300 commission, you can't afford much back and forth," he says. "Whoever does it right the first time wins."

Software implementation is a complex process and can be difficult, but Ogilvie has no regrets. "We're still completely convinced we made the right choice," he says.



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