Client Case Study
American Claims Management, Inc.

American Claims Management is a claims and risk management one-stop shop for 35,000 commercial and personal lines clients across the country.

American Claims Management (ACM) is a results-driven third party administrator dedicated to providing superior service. Since 1988, it has refined its services to ensure clients save money. With its innovative solutions and highly skilled and trained professional staff, ACM provides exceptional results – keeping allocated loss adjustment expenses low, helping clients save money with online resources and paperless solutions, and providing aggressive fraud-fighting and recovery programs.

We spoke with Jeffrey Dalessandro, director of business development, and Michael Millwood, vice president of data operations, at ACM about the reasons the company chose SIMS Claims™ and the benefits their company has received from the system.

The Challenge

When ACM launched its workers' compensation division in 2008, the company needed a claims management system. Jeffrey Dalessandro, director of business development, commented, "As specialists in workers' compensation, rather than offer a cookie-cutter program, we provide our clients with customized solutions to meet their specific business objectives. We sit down with clients to understand their unique challenges and develop a targeted claims management approach. As a result, our organization required a claims system that could provide a high level of flexibility to support this business strategy."

The Solution: SIMS Claims from Systema Software

When ACM hired its data operations staff, many of its employees had former experience with SIMS Claims. "We had been part of SIMS development and evolution since the product's inception. When we came to ACM, we knew the SIMS platform well, and it was a no-brainer that we wanted ACM to benefit from the same advanced technology and capabilities," said Michael Millwood, vice president of data operations.

Millwood elaborated, "SIMS Claims is extremely flexible. Systema designed its system so customers like us can configure it to meet our needs. The customer down the street might use it differently than we do, but I'm not forced to use it their way, and they're not forced to use it my

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Summary of Key Points

Challenge: A new claims system for the ACM's workers' comp division

Solution: SIMS Claims a next generation, web-based solution from Systema Software

Results:
- High level of SIMS flexibility supports ACM program flexibility
- Achieve operational efficiency and clerical cost savings
- Automate workflow and create comprehensive alerting system
- Improve examiner-to-assistant ratio from 2:1 to 4:1
- Improve examiner-to-clerk ratio from 3:1 to 5:1
- Paperless claims environment
- Enable multiple users to log onto SIMS to perform multiple functions
- SIMS scorecards, dashboards, and reports illustrate savings, benefits and value ACM delivers to clients
- Highly responsive support

way. More than any system I've used SIMS provides the ability to adapt not only to our needs but also to our client needs."

"SIMS system flexibility is critical because program flexibility is our key differentiator," said Dalessandro. "ACM fosters a 'can do' corporate culture, and SIMS is a critical tool in this business model. It helps us to develop highly customizable programs for our customers, which has been a key component to our approach and success in the market."

The Results

Operational Efficiency & Clerical Savings

"In the past, we had clerks complete certain tasks on a daily basis," said Millwood. "Today, we have configured SIMS to automate workflow. We utilize automated letters, and business rules to create a comprehensive alerting system to notify management when certain tasks aren't completed, so they can proactively manage operations."

"One of the SIMS features that impressed me most was the bill objection capability. Previously, if we objected to a bill, an examiner sent a diary to an assistant, who then sent out an objection letter. With SIMS, we simply check a box, and the system automatically generates the letter. In California workers' comp, we use this feature a lot. We may object to as many as 6,700 bills a month. As a result, it saves our staff significant time," explained Millwood.

SIMS also enabled ACM to move to a paperless platform, which has been a huge benefit to its entire claims operation. "Overall, we're a clerically lean organization," said Millwood. "Although examiner workload is about the same, the type of work examiners perform and how they perform that work has changed significantly."

"Previously, when examiners did not have certain information, clerical staff had to pull physical files. Today, it's much easier to access information in SIMS, and as a result, we've been able to reduce administrative assistants. In the claims industry, it's common to have two examiners assigned one assistant. With SIMS, we've achieved a four-to-one ratio. The same has occurred from a clerical perspective; we previously had three examiners to one clerk, and now we're operating on a five-to-one ratio. While I can't quantify those improvements in terms of a dollar figure, it does represent a huge clerical savings," said Millwood.

Multiple Users, Multiple Functions

"Another huge benefit is SIMS is used by various types of users to perform various types of functions. Managers at insurance companies, self-insured program administrators, nurses, doctors, bill reviewers, and other service partners who perform lien services, investigations, and recovery—all log on and use SIMS," said Millwood.

"We have carefully defined user rights to specify what parts of a claim's file various users can access, view, and change," said Millwood. "For example, investigators work in SIMS. They can add their own notes, generate their own letters, and attach documents. Since everything is housed in SIMS, our examiners are able to see what everyone is working on at any given time."

"Our vendors love SIMS because it helps them avoid wasted time in trying to get a hold of examiners. Our partners simply log onto the system and find the information they need. The common praise we receive is the system is easy to use without much training. Another example is external audits. We don't need to spend a lot of time with auditors because they can log onto

the system and view claims-handling activity. Typically, we have one audit a month, and toward the end of the year, about one audit a week. SIMS has helped to streamline the audit process."

Scorecards, Dashboards, and Reports

Dalessandro added, "The main focus in workers' compensation is managing claims costs, particularly medical costs. We work hard to show customers the results we deliver. SIMS is critical to achieving cost control and our ability to serve as the cost-reduction leader. Today, the services we offer, the way we administer claims, the corporate culture we've fostered, the advanced technologies we have in place, and our outstanding staff—all combine to deliver a higher quality product than other competitors in the market."

One way that ACM illustrates savings and benefits to clients is through reports and scorecards. "SIMS data is well structured, so it's relatively easy to find and access data on the backend, which makes reports relatively easy to run. Many of our clients request scorecards, on a monthly basis, which we're able to provide through SIMS. We also use dashboards internally to measure performance, identify trends, and manage workload. We also integrated SIMS with other software systems, which further increases our organization's overall productivity," said Millwood.

Client Conclusions

"With workers' compensation constantly changing, it's another important reason to have a flexible system like SIMS," said Millwood. "On a daily basis, we're looking for ways to improve our claims operations. From a support perspective, Systema is highly communicative. If we have an issue, they respond the same day. Sometimes, it's just to let us know they've received our message, and they'll get back to us tomorrow, but it's nice to get that immediate response," said Millwood.

"At ACM, we've also been able to leverage our work in configuring SIMS for workers' compensation—to other lines of insurance, which has helped us grow our business across the board," added Dhara Patel, senior vice president, liability."

"For other organizations looking at SIMS as a solution, I would recommend they hire a project manager for implementation, and they dedicate internal resources to help configure SIMS. Otherwise, they're paying for a great solution, but not fully leveraging SIMS capabilities to improve workflow, efficiency, and productivity," concluded Millwood.

About Systema Software
Systema Software provides flexible, comprehensive solutions and services to the insurance industry. Its flagship product, SIMS Claims, is an innovative, browser-based property and casualty claims administration system. Together, our team of Big 4 consulting and industry veterans, experienced software developers, and project managers deliver an architecturally strong enterprise platform, designed for superior speed, scalability, and performance. For more information, visit us online at www.systemasoft.com.

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