

Old Dog, New Tricks

WORKERS' COMP SPECIALIST AMERISAFE ACHIEVES MODERNIZED AGENT SERVICE WITHOUT RETIRING AGING POLICY ADMINISTRATION TECHNOLOGY.

■ By Anthony O'Donnell ■



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—GEOFF BANTA, AMERISAFE.

AMERISAFE (\$256 million in 2009 gross written premium) COO Geoff Banta knows that the company's legacy policy administration system won't last forever. But with help from FirstBest Systems, the DeRidder, La.-based writer of workers' comp for hazardous industries has been able to extend the life of the system while modernizing the way it does business with distributors.

Three years ago Amerisafe's leadership decided that its existing platform needed upgrading, according to Banta. Originally a vendor package, the system had evolved over the years into essentially a unique in-house system, he relates. “While functionally it did its job, ... it was old database and old development tool technology. There were many things we could do in terms of process improvement,” Banta recalls.

Reluctant to undertake a “big bang” replacement, however, Amerisafe took an incremental approach to renovation. The carrier took on its database technology first, implementing Redmond, Wash.-based Microsoft's SQL Server 05. Then Amerisafe moved to rewrite applications and redesign integration of functionality in what Banta describes as the business layer. “It was more than just moving from [Microsoft's] Visual FoxPro to SQL Server,” he comments. “We wanted to build more efficient and normalized table structures.”

Amerisafe was contemplating moving to a new framework, such as .NET or Java, when FirstBest Systems pitched its UMS solution, which combines the Bedford, Mass.-based vendor's agent portal for commercial lines carriers and its underwriting workstation. “It was something we could plug into the rating and policy administration side, helping us rate and issue new policies,” Banta relates. “More important, from a strategic standpoint, we believed it would bind us more tightly with our independent agents.”

Amerisafe began to implement FirstBest UMS in June 2008 and completed the implementation in March 2009 — on time, according to Banta. The system, branded Amerisafe GEAUX, has been rolled out to some 2,000 agents, representing more than half of the carrier's agency partners.

In addition to creating a paperless, straight-through process, FirstBest UMS enables Amerisafe's underwriters and its agents to interact in real time via an online agent workspace with rapid upload, submission and quote turnaround capability, Banta notes. “Our underwriting department does less data entry, and there is virtually no duplicated data entry,” he says. “The agent has to do less work and is never left in the dark as to where their application sits in the process.”

Removing Stress

Banta likens the transparency granted by UMS to an airline passenger getting regular updates on a flight delay. “To know what's happening and when the flight would be ready to go would take a great deal of stress out of the situation,” he asserts. “With UMS we try to remove the stress of the unknown for the agents.”

Since Amerisafe differentiates itself on service more than price, the increased ease of doing business enabled by UMS answers the carrier's current strategic systems modernization needs, in Banta's view. “The UMS system makes agents feel they are the only customer we have in terms of how they work with the underwriters,” he says.

Agent adoption of UMS is about where Amerisafe expected, but the curve continues to rise, Banta claims. “We anticipated that as more agents got acquainted with the system, they would want to use it, and that's what we're seeing,” he reports.

Amerisafe tracks how many of the applications an agent submits are processed both on UMS and the old way, along with conversion ratios for each route. Banta declines to share details on those figures or about the investment in and return on the investment in the FirstBest UMS platform. But, he says, application-processing time has decreased by 20 percent.

Most important, according to Banta, is the improvement in agent service that the system provides. “UMS changes the whole model of communication between agent and underwriter,” he comments. “There's no reason this system can't ultimately be the window into all the agent needs to find out about their book of business at Amerisafe.” ■