Success Story

ROSSMANN · HURT · HOFFMAN, Inc.
Insurance Since 1871

Client: Rossman-Hurt-Hoffman, Inc.

Industry: Insurance Agency

Client Profile
Founded in 1871, Rossman-Hurt-Hoffman is one of the oldest insurance agencies in the Baltimore area. Employing a staff of 49, Rossman-Hurt-Hoffman writes over $60 million in premium – primarily in the areas of Lawyer's Professional Liability, Hospitality (Hotels & Restaurants), Jewelry Stores and Contractors. Rossman-Hurt-Hoffman recently converted from AMS for Windows™ to AMS 360™ as its client/policy administration system.

Business Challenges
Increasing expenses for off-site records storage; downward spiraling productivity caused by lengthy searches for paper files – especially when files were needed from off-site facility; more and more floor space being eaten up by uncontrollable growth in the number of filing cabinets; too many lost files; no backup copies for some carrier records.

Solution
The April, 2005 implementation of the AccuraImage™ document management solution from Lumtron Technologies.

Benefits
Immediate access to client files and records; increased floor space repurposed for income-generating employees; reduced expenses for off-site storage; reduced reproduction & distribution expenses; added disaster recovery security; enhanced regulatory compliance and increased employee morale.

Lumtron
TECHNOLOGIES

Insurance Agency Speeds Document Access, Boosts Staff Productivity and Reclaims Lost Floor Space

"Where there used to be file cabinets just sitting there... now there are two more producers bringing in revenue"

Overview

Located in the suburban community of Ellicott City, MD, about 15 miles west of downtown Baltimore, Rossman-Hurt-Hoffman is one of the oldest insurance agencies in the area. In addition to its prominent status in the community, Rossman-Hurt-Hoffman has earned numerous industry honors, the most recent of which include having been named a 2004 and 2005 Best Practices Agency by the Independent Insurance Agents and Brokers of America (IIABA) – one of only 195 insurance agencies in the United States to merit this distinction – *and* having CSRs named Outstanding Customer Service Representatives of Maryland in both 2005 and 2006.

In its 135+ year history, though, it had accumulated a massive amount of paper. Plagued by decreased productivity and increased costs caused by the uncontrollable paper explosion, the agency's management found the solution in the AccuraImage™ document management solution from Lumtron Technologies, Inc. Since implementing the new document management system in April of 2005, the agency has enjoyed the benefits of faster access to client files, enhanced regulatory compliance, more available floor space, added disaster recovery security, increased employee morale, and dramatically reduced costs.

The Challenges

In 2004, Rossman-Hurt-Hoffman realized that it had a problem. Despite utilizing its AMS for Windows™ (AfW) system to its fullest capacity as a client and policy administration system, the agency still needed to maintain paper files for copies of policies, endorsements, Change Requests, Certificates of Insurance, and other documents which could not be housed within the management system – and significant challenges

The amount of time that it took for an employee to retrieve a specific document had become prohibitively inefficient.

were beginning to manifest themselves as a result. The most noticeable issue was the continual increase in file storage needs. In the 135+ years since the agency's 1871 inception, Rossman-Hurt-Hoffman has accumulated a tremendous amount of paper. Although the agency utilized the services of Iron Mountain for a considerable amount of off-site storage, a certain amount of records needed to be kept in the office for easy retrieval – and this accessible file storage was expanding rapidly.

Living near the eastern shore also caused the agency to have some disaster recovery concerns. Although the agency is 15-20 miles inland, a serious hurricane, its aftermath, or other natural disaster could devastate the agency. And although the agency's IT department performs regular daily backups of all network data, it was impossible to include the agency's paper files or physical records in these backups.

The most serious problem, though, was the loss of productivity that naturally accompanies the maintaining of paper files. The agency's typical workflow went something like this: When the morning mail arrived, it was opened and distributed to the appropriate recipient's desk – where it remained until it was processed. Once processed, the CSR would place the documents in his/her "Out Box" awaiting periodic pickup by a filing assistant. From there, the documents were transferred to a temporary A-Z accordion file, where they remained until designated employees were able to file them in the appropriate client/policy file. As a result of this, when a CSR needed to retrieve a specific document, it

could be in any one of at least six locations – still on his/her desk, in his/her Out Box, in the temporary A-Z accordion file, in the permanent client/policy file, on another employee's desk (if the file had been pulled by someone else), in the off-site storage facility (depending upon the document's age), or somewhere as yet to be determined. The amount of time that it took for an employee to retrieve a specific document had become prohibitively inefficient – even if it could be found on-site. If the document had to be retrieved from off-site storage, it could literally take days – which cost the agency in several ways: additional file retrieval fees from Iron Mountain; additional lost productivity for the affected employees; and a decreased level of service for the client. And although no business ever likes to admit it, lost documents and/or entire files are an inevitable part of a manual filing process[1]. Aside from the large costs associated with recreating a lost file[2], Rossman-Hurt-Hoffman has a fiduciary responsibility towards its clients, which it takes very seriously. As such, even one lost file was one file too many.

The agency knew that it needed a document management solution.

The Search Process

Rossman-Hurt-Hoffman first defined the features and functionality that were required in a new document management system (DMS). Because of the agency's heavy reliance on its AMS for Windows™ management system for all day-to-day client and policy administration activities, a seamless integration between the two products was a must. On the other hand, the DMS could not be tied too closely to Rossman-Hurt-

[1] According to a recent study by the Association of Records Managers and Administrators (ARMA), from 1-3% of an organization's documents are misfiled.

[2] According to a recent study by the Association of Records Managers and Administrators (ARMA), a lost file typically costs over $200 in labor to reconstruct, if it can be completed at all.

Hoffman's AfW system. The agency employees would need the ability to easily access documents if the AfW system were down or unavailable for any reason, or to manage documents that would not be linked to the AfW system at all (i.e., payroll, human resources, etc.). The agency also determined that the DMS would need to be able to integrate with other systems as well, giving the agency the ability to manage documents that may need to be tied to different CRM/database applications, and the freedom to move to another agency management system if that need ever arose in the future. Lastly, the chosen solution had to be easy to learn, user-friendly, and allow for seamless upgrades.

Operations Manager, Kathryn Ireland, describes the process that the agency went through to evaluate document management systems. "Because a tight integration with our AfW system was our number one priority," she explains, "we did our initial review at the AMS User Group National Conference." Held in Indianapolis in April 2004, the annual event allows users of AMS' management systems to attend educational sessions, exchange ideas, and network with over 100 vendors offering products and services that are complimentary to the AMS suite of products – thus providing a good forum for the Rossman-Hurt-Hoffman attendees to vet out a potential document management solution. "Our conference attendees reviewed all of the vendors that were present at the conference," Ireland continues, "and narrowed it down to docSTAR™, CBD Docs™, and Lumtron's AccuraImage™."

"We then formed a committee made up of managers from each of our departments – personal lines, commercial lines, professional liability, claims, life & health, licensing, human resources, marketing and accounting," Ireland explains, "and brought the finalists into the office for a live demo with our committee and owners."

The Decision

"In the end," explains Ireland, "Lumtron's AccuraImage™ was the clear choice. Everyone at Lumtron was extremely professional and up front about what their product could and could not do. Most importantly, they all 'spoke the insurance language' and their main objective was to ensure that the AccuraImage™ system would conform to our required and desired workflows." To solidify their decision, committee members contacted six references regarding a number of subjects: their overall experience with Lumtron; demographics of the agency; what other systems they reviewed; why they chose Lumtron; what (if anything) they would do differently; whether the implementation went as planned; the quality of Lumtron's after-the-sale support; and what issues (if any) they have had subsequent to their implementations. "We received excellent information and reviews from these references." Ireland concludes. "The process definitely confirmed that we made the right decision in selecting Lumtron."

The Implementation Process

Rossman-Hurt-Hoffman went live on AccuraImage™ in April 2005 – almost a year to the day after employees first reviewed the product at the AMS User Group
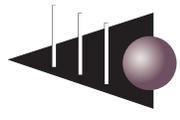
AccuraImage™

Conference. Following advice from Lumtron's team, the agency chose to implement only two departments first – to lessen the overall impact on normal business activities. The agency opted to begin with personal lines and claims. "We chose those two departments first," explains Ireland, "because they were already handling a fair amount of electronic documents from carrier downloads and web-based claims processing. We thought that it would be an easier transition for them, and that once the other departments saw how much easier these employees' lives had become, they would be even more anxious to make the move themselves."

One of the ways that Lumtron separates itself from the competition is by offering a highly customized implementation that is specifically engineered around the client's unique workflows, wants, and needs. In order to accomplish this, a Business Analyst from Lumtron spends time with the client's management team to become intimately familiar with the existing workflows, policies, and procedures. Based upon these meetings, the implementation team can define workflows and customize AccuraImage™ to non-invasively mesh into the client's existing procedures – easing any "culture shock" that might be a side effect of the transition to a paperless environment. "We were particularly impressed with the pre-implementation work." Ireland states, "Thanks to their thorough analysis work, we were able to head off some issues before the migration which saved us from some potentially serious future headaches."

Many other DMS vendors employ a standardized implementation model, which does not allow for much individualization of the application to fit a client's particular situation. Ireland continues, "We really appreciated the custom implementation. The ways that we wanted to configure our system – keeping the claims documents separate from other documents while still being tied to the same client records in AfW, separating our professional liability business from the rest of our commercial lines business, and a few other unique needs – made us skeptical of other vendors' standardized approaches." So, at the end of the day, was their support of Lumtron's model justified? "Absolutely," Ireland responds instantly, "After watching the Lumtron team customize and configure the system to meet our unique requirements, we knew that there was no way a cookie cutter implementation would have worked."

Ireland goes on to explain how pleased the agency was with the quality and professionalism of the implementation. "The technicians were extremely professional and worked with us until every aspect of the system worked to our satisfaction and everything integrated perfectly. We could not have asked for a more thorough process." But what about training? Ireland states, "The training prior to our initial installation was excellent. There is no way we could have implemented the DMS as smoothly without the detailed and professional training by the Lumtron personnel."

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Software and Services

AccuraImage Enterprise™

- *Complete Content Management & Control Solution*

AccuraImage SMB™

- *Document Management & Control Solution for Small- to Medium-Sized Agencies*

Professional Services Group

- *Customized implementation strategies that adapt to the way you want to do business*

- *Expert, professional end-user training to get your agency started out on the right foot*

- *Ongoing consulting services to leverage your technology investment across the entire organization, or to take your AccuraImage™ utilization to the next level.*

Life After Implementation

When asked if all of the effort proved worthwhile, and if the agency has seen any resolution to the challenges faced prior to implementing AccuraImage™, Ireland immediately responds, "With out a doubt. We spend much less time looking for documents, and no more searching for hours or days for lost or misfiled documents. No more waiting or expense for documents to come back from Iron Mountain. We have over 40 agents who maintain licenses in over 30 states. Managing those licenses used to be a massive job – but now it's a breeze." She continues, "sharing documents with the outside world is much easier, and less expensive, too – we have seen a significant decrease in paper and toner usage." And what about the "invasion of the file cabinets?" Ireland answers, "I'd say it we solved that problem, too. Where there used to be file cabinets just sitting there and not making us money, now there are two more producers bringing in revenue! We

also reclaimed enough floor space for six more desks, and plan on adding at least four more within the next year."

Rossman-Hurt-Hoffman chose to implement a post-processing environment – where the documents are scanned after being processed by the CSR. Instead of filing the documents in a paper file, the CSR simply attaches a bar code to the document and puts it in an outbox to be scanned at a centralized scanning station. Utilizing sophisticated technology exclusive to AccuraImage™, the software has encrypted the bar code with all of the information needed to accurately file the document and correctly link it to Rossman-Hurt-Hoffman's AfW system. That way, a clerical-level employee can scan everyone's documents without having to perform any data entry whatsoever. Scanning personnel do not need to know anything about the agency's clients or policies – they simply open up Lumtron's AccuraScan™ document capture software, load the scanner with all of the documents to be scanned, and the bar codes

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*Unique circumstances. Weekend support is typically charged a premium fee.

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tell AccuraImage™ which cabinet the document should be filed in, which client and/or policy the document should be linked to, and what access permissions should be allowed.

Since the initial implementation, the project has done anything but stagnate. In the 18 months following the initial April 2005 rollout, Rossman-Hurt-Hoffman has upgraded to Lumtron's most recent AccuraImage 2006™ release, as well as expanding the implementation to encompass the entire agency – bringing up the professional liability, commercial lines, life & health, accounting, marketing, human resources, and licensing departments. "We chose to bring Lumtron's team back out for the professional liability and commercial lines implementation and training rollouts," explains Ireland, "but we handled all of the other departments ourselves, with either web-based training from

Lumtron, or in-house training from our own staff." Ireland continues, "and although the on-site training was extremely helpful, the new product is so user friendly, we could have almost trained ourselves."

As if that were not enough, Rossman-Hurt-Hoffman also upgraded its agency management system to the newer AMS360™ package, which required Lumtron to modify the integration between AccuraImage™ and the new management system. "Our claims integration piece presented a bit of a challenge," Ireland explains, "but Lumtron's assistance was excellent. Their support team actually allowed me to call them on a Saturday and Sunday when we were trying to get everything integrated and ready for the employees when they returned on Monday morning. I've never seen another vendor do that."

About Lumtron Technologies

Lumtron Technologies is the insurance industry's premier provider of secure document and content management solutions. Established in 1984, we have a 20+ year track record of providing superior technology solutions with incomparable implementation strategies.

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