

CASE STUDY | CARRIER

BUSINESS PROCESS MANAGEMENT

AS CLAIMS SPIKED, JAMES RIVER IMPROVED QUALITY BY 100X IN 60 DAYS

ABOUT THE CUSTOMER

James River Insurance Company is an A.M. Best A (Excellent) rated excess and surplus lines insurance carrier headquartered in Richmond, Virginia. With a market-centric approach, the company operates through 12 distinct underwriting divisions, each organized around a specific industry group or coverage.

THE CHALLENGE

James River won a fast-growing national account with thousands of commercial auto exposures. Initially, monthly claims volumes were very low, but as the client's business grew, so did the frequency of claims. By month three, claims volume had increased 100x.

In response, they were hiring 50 people per month, yet that was still not enough to keep up with the spike in activity. Staff working to fulfill service level agreements had less time to devote to claim investigations, potentially impacting accuracy and timeliness of settlements.

As the business continued to grow, accounting and reconciliation became challenges as well. James River saw a surge in payments, expenses, and subrogation related transactions. This drove discrepancies between the accounting ledger and payments in claims files, forcing the team to spend twice the usual time to reconcile the ledger.

The consequences of the increasingly stretched claims staff could have led to decreased employee morale, incorrect payments, challenges with quota share reimbursements, reputational damage, and litigation. James River's experienced teams recognized these issues and proactively sought a new approach to claims processing.

THE SOLUTION

Realizing the urgency of the matter, James River engaged ReSource Pro to support the claims department. First, a dedicated ReSource Pro team assumed responsibility for claims setup and manual payments, freeing up James River adjusters to focus on claim investigation. Next, the partnership addressed claims quality assurance (QA), which had been identified as another drain on the James River teams. "We can't afford to lose claims adjusters to do QA," said James River Claims SVP Courtenay Warren.

Within a week, the newly defined QA process went live, allowing James River to quickly meet the established service level agreements. The QA team provided visibility into the accuracy of the work, enabling James River to more clearly analyze quality levels and capacity needs.



CUSTOMER PROFILE

Specialty insurer

LOCATION

Richmond, Virginia

BUSINESS NEED

Tackle a surge in claims processing and manual payments from a fast-growing account while maintaining quality and service level agreements

SOLUTION

ReSource Pro Business Process Management

THE IMPACT

- 100x improvement in claims quality within 60 days
- Rapid turnaround times fulfilled
- Claims adjusters able to conduct more in-depth investigations
- Operating costs reduced and 4% reduction in processing hours



As part of the solution, ReSource Pro handled all claims auditing and provided James River with relevant reporting to fulfill obligations to clients and identify opportunities for improvement.

THE RESULTS

Within 60 days, ReSource Pro reduced the claims processing error rate from 3% to 0.03%, a 100x improvement.

"ReSource Pro was able to process faster, cheaper, and with fewer errors than we were able to do internally," Warren said.

Throughout the process, ReSource Pro collaborated with James River around best practices to improve process efficiency and drive continuous improvement. The team embedded automation technology and lean process management practices, decreasing claims processing time by 40 hours per month or 4%.

By working with ReSource Pro to integrate people, process, technology, and data across their claims environment, James River was able to:

- Optimize reserving
- Redeploy staff for improved outcomes
- Exceed client expectations and meet service level agreements
- Create and maintain a work environment in line with the company's culture

With ReSource Pro as a partner, James River successfully scaled a claims department to meet the demands of a fast-growing client while avoiding burnout in their internal team.

"Resource Pro is able to scale or shrink quickly in response to the needs of our business," said Richard Schmitzer, CEO of James River. "ReSource Pro continues to be valuable business partner. They complement our strengths."

ABOUT RESOURCE PRO

ReSource Pro brings to the insurance industry tools, technology and strategic services that enable profitable growth through operations excellence. Headquartered in New York, ReSource Pro's global service centers address client operational needs around the clock. Recognized as an industry thought leader and listed as one of Inc. 500/5000 Fastest Growing Private Companies annually since 2009, the company is renowned for its focus on innovation, service excellence and trusted partnerships, and its unique productivity platform for insurance operations. Over 4,500 ReSource Pro employees provide dedicated support to hundreds of insurance organizations, consistently achieving a 97% client retention rate for over a decade.

FOR MORE INFORMATION

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RESULTS WITH IMPACT



100x
improvement
in error rates,
from 3% to 0.03%

Automation applied
to decrease claims
processing time by

40
hours/month

