

Policy Checking at Beecher Carlson

A giant leap towards efficiency and contract certainty

Introduction

Beecher Carlson, a leading insurance broker in the United States, is known as a specialist in its field. In 2013, it was acquired by Brown & Brown, becoming its large account division and beginning a new chapter as part of a public company.

In 2015, it began a new technology based initiative with the straightforward objective to improve the speed and accuracy of its policy checking. While the reasons were many, as a customer focused organisation Beecher Carlson knew that addressing this single challenge would progress it toward countless other long standing goals.

The Problem

The scale of documentation and processing required to engineer a complex insurance programme can boggle the mind. Within each individual case, Beecher Carlson is responsible for a 1000+ page mountain of multi-layered manuscript forms from as many as 15 to 20 different carriers, each agreeing a unique slice of exposure on a risk.

The challenge for any broker operating in this environment is to create a process which allows for adequate policy checking within a reasonable timeframe. A historically paper-based process, manuscript forms containing wordings, clauses, and exclusions which can change between policy years and coverage layers must be critically reviewed to ensure correctness. Further, contract certainty cannot be guaranteed within a programme without careful review.

Beecher Carlson took this professional obligation to clients as its key focus for change.

As part of a publicly owned company, Beecher Carlson now had an additional duty to its investors. Binding complex, multi-layered insurance programmes carries with it a considerable errors and omissions risk. An auditable process would improve performance against internal compliance standards and deliver the reassurances that stockholders need.

The Solution

In early 2015 under the leadership of Reiner Braun, Senior Managing Director of its National Property Practice, Beecher Carlson approached Exari with the goal of implementing its Policy Checking Solution. Helping brokers complete timely and consistent policy reviews, the solution also promised to minimize the company's errors and omissions risk and deliver best coverage to clients.



Sandy Carter, Vice President of Beecher Carlson's National Property Practice in Atlanta, was responsible for the system's roll out within her area of the business. "Gravitating towards paperless systems for filing standards and policy review is an industry-wide challenge but one which requires a solution like this to move forward," said Sandy. "Policy Checking has allowed us to quickly analyse one contract against another to easily spot similarities and differences. We can also automatically run a checklist of items that are important to the policy-checking process and make judgments on our results."

RESULTS

- Thousands of contracts reviewed in an instant
- Improved accuracy and speed
- Contract certainty achieved
- Robust reporting capability meets regulator and investor scrutiny
- Reduced errors and omissions risk
- Rapid quote-to-bind turnaround

Implementation

In a matter of days, the system was up and running via the cloud. As of July 2016, Beecher Carlson had deployed the solution to its property, financial, and executive liability lines. It is now in the process of rolling out to the casualty teams.

Unexpected Wins

"We have certainly saved a considerable amount of time. A single renewal could have 15 to 20 carriers on a placement, so having one system that captures every policy issued makes the checks go by far quicker than within a paper file process. Additionally, during the marketing process we have seen time savings in reviewing quotes and binders. It is far easier to identify discrepancies in a quote or a binder by simply running it through the Policy Checking Solution system. Finally, the potential for human error is drastically reduced; document review with the naked eye is clearly an outdated process that software can achieve with far greater accuracy and speed."

—Sandy Carter

Vice President of Beecher Carlson's National Property Practice

Sandy explained that brokers and their teams have already begun to feel the benefits of Beecher Carlson's approach. "We are able to highlight elements in need of clarification in a straightforward way. The Policy Checking Solution signpost discrepancies using a simple 'traffic light' indicator, where wordings, clauses, or exclusions require updates."

Training

As with any new business process, adjustment is a required part of the process. The user group at Beecher Carlson has been supported along the way to ensure that established methods of policy review would translate easily and existing reporting lines could be maintained.

“Exari was instrumental in getting the lead brokers familiar with the system,” said Sandy. “They hosted several webinars and face-to-face training sessions. We felt it was important to carry out a phased roll-out of the solution. Having deployed with a core user group, Beecher Carlson developed a bespoke, screen-by-screen training programme to ensure things like uploading and naming conventions for policies were carried out properly and consistently.”

Beecher Carlson is keen to monitor system usage and has measured the volumes of policies being run through the solution. “Like any new process within an established company, we expected activity to begin at a relatively low level and increase from there. Every month the system has an increasing volume of contracts reviewed, and the feedback has been excellent. Different product groups are sharing best practices already, and they know that as brokers this is the most important thing we do. Binding legal contracts is a hugely responsible job, so any system we can utilize to make this process more efficient and achieve contract certainty for the client is a fundamental imperative. As a result, Beecher Carlson’s policies are issued accurately – a significant competitive advantage.”

ABOUT EXARI

Exari delivers the most complete Enterprise Contract Lifecycle Management platform, used every day by market-leading companies to understand all aspects of their contract ecosystem worldwide. With Exari, customers can reduce contract risk and improve operating efficiency with 100% Contract Certainty™.

