



# Kansas Medical Mutual Insurance Company

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Case Study



## Case Study:

### dti's people and products critical to insurer's growth and success in professional liability market

The following case study describes the extensive benefits derived by Kansas Medical Mutual Insurance Company (KaMMCO) by using Delphi Technology, Inc.'s OASIS product.

KaMMCO is a member-owned insurance company providing insurance protection for physicians, hospitals, dentists, medical groups, professional associations, and other health care professionals.

#### OASIS Includes:

- Policy Management
- Claims Management
- Financial Management
- Risk Management
- Data Warehouse
- Document Solution

Kansas Medical Mutual Insurance Company (KaMMCO) is a member-owned insurance company providing insurance protection for physicians, hospitals, dentists, medical groups, professional associations, and other health care professionals. In early 2003, KaMMCO was using a claims and policy management system that they had developed in-house in the early 1990s that was not just outdated, but lacked the additional capabilities the insurer needed to effectively manage its growing business.

The legacy system's technology base (DOS) was not scalable and could not provide tight processing controls. KaMMCO's homegrown system had limited reporting capabilities, no expert witness database, and lacked storage for consolidated data. KaMMCO decided that in order to grow their business and improve productivity, their legacy system would need to be replaced.

### The Solution Search

KaMMCO began the legacy system replacement effort with a plan to write the new system in-house. While they did choose to search the market for available vendor provided solutions, the reason for the due diligence was to confirm the assumption that buying a system would be far more expensive than writing it themselves.

Through its affiliation with PIAA (Physician Insurers Association of America) and the association's member companies, KaMMCO identified dti's OASIS solution as one that should be included on the short list for closer evaluation - continuing with the assumption that it would be far too costly. KaMMCO's first impression of the OASIS product was that it was well developed and that it would take the insurer years of in-house development effort to deliver just half the functionality provided by OASIS. They also liked that much of the product direction and development effort for OASIS was being driven by other PIAA member companies - companies that have product and processing needs very similar to KaMMCO's. While KaMMCO's original objective in looking at vendor solutions was to justify developing the solution in-house, the insurer was pleasantly surprised by the price quote provided by dti. KaMMCO's due diligence - which from start to finish took approximately six months - revealed that dti's OASIS was a very viable and attractive option for their needs.

*"dti did an outstanding job of presenting and demonstrating the OASIS product, but what sealed the deal was Sam Fang personally meeting with us to address any reservations that we might have had. Combining this effort with the recommendations we received from other PIAA member insurance companies made us very comfortable in making a dti OASIS decision."*

*Andy Grittman, CIO, KaMMCO*

## The Implementation

The combined KaMMCO and **dti** team started with a project kick-off meeting. A **dti** Business Analyst began by working with KaMMCO to understand the insurer's process flows, integration and processing requirements and to uncover the nuances of the business. While the OASIS software supported the required capabilities, it was critical to understand KaMMCO's details in order to configure the OASIS system to most effectively support the insurer's business and processes.

KaMMCO was the first **dti** client to go live with the OASIS Document Solution (ODS) and was also the first **dti** client to do a full data conversion of both policy and claims data.

Following a seven month implementation, KaMMCO went into production with OASIS, starting with the renewal process in September 2004. The effort also included two-way integration with Microsoft Dynamics for General Ledger and Accounts Payable.

*"Overall, the implementation went very smoothly and with few surprises. Having a training room onsite with a build of the software worked very well. Not only did it make for a convenient training process, but it allowed us to prototype configuration changes as we continued to refine our processes to take maximum advantage of the capabilities and flexibility of OASIS."*

*Andy Grittman*

## The Results

### Substantial Productivity Improvements at Renewal

Renewals for KaMMCO had been a manual process requiring extensive time and effort on the part of their underwriters. Since installing OASIS, 2006 was the best year KaMMCO has experienced relative to renewals, and they attribute the improvement in large part to the OASIS implementation.

*"With OASIS, the renewal process is now automated and a lot quicker. Our underwriters no longer need to spend a lot of time on renewal processing. In fact, we reported no underwriter overtime in 2006. Even though we have more policies than we've had in the past, the renewal process still takes less time and effort."*

*Andy Grittman*

### Tighter Controls for Claims Processing

Implementing OASIS meant tighter controls and extensive automation, reducing the risk of errors. KaMMCO cited

coverage verification as a particularly beneficial feature to help protect against human error and improper payment of claims.

*"OASIS gives us the confidence that we are paying the right claims and the right amounts. In addition, the systems saves us so much time in the claims process that we have time to do other things that we couldn't ever get to previously."*

*Kristen Mark, Business Analyst, KaMMCO*

### Improved Risk Assessment & Underwriting

KaMMCO specifically noted the OASIS reporting capabilities in helping the insurer better understand bad risk, enabling them to do better risk assessment and refine future risk assessment procedures. OASIS also enabled them to more tightly manage underwriting practices.

*"With OASIS, we are able to better underwrite overall."*

*Andy Grittman*

### More Complete Reinsurance Reporting

With the OASIS system, it is the first time that KaMMCO has had all information (claims, policy, billing, etc.) in one place. By being able to get more detailed information to its reinsurers, KaMMCO feels that they have improved their ability to negotiate the best rate.

### Enhanced Access to Expert Witness Intelligence

While KaMMCO previously had a database of expert witness related information, they found it difficult to get the right information, track performance, specialty, or costs. With the OASIS database, KaMMCO now has all the expert witness information in a common location, plus the ability to quickly and easily drill down to any level of detail.

*"Expert witnesses often make the difference in a case. Because OASIS enables us to track our experts, their performance, fee schedules, deposition transcripts - virtually everything - we are able to find the best resources for each case. The result is a better defense for our physician policyholders."*

*Elizabeth Haro, Claims Assistant, KaMMCO*

### Enhanced Auditability of Procedures

The auditing capabilities OASIS provides enable KaMMCO to constantly monitor processes and people in order to identify bottlenecks in the process or training gaps for individuals. Processes can be continually refined due to the configurability of the system and people can be offered

## About Delphi Technology, Inc.

Since 1989, Delphi Technology, Inc., a leading provider of technology solutions to the insurance and risk management industries, has leveraged its extensive industry knowledge and experience to deliver a comprehensive range of technology solutions to property and casualty insurers, 3rd party administrators (TPAs), self-insureds, and risk retention groups. Delphi provides proven software applications to run core insurance operations including underwriting, billing, policy administration, claims management, financial management, risk assessment, and reinsurance, enabling companies to optimize their business processes and respond to changing business needs resulting in reduced costs, increased operational efficiency, and improved business intelligence.

Delphi's professional services staff of 150+ technical and insurance experts utilize a proven implementation methodology ensuring the transfer of necessary market and business expertise throughout the deployment process.

### Product lines include:

- OASIS Professional Liability
- OASIS Claims Management
- OASIS Reinsurance
- OASIS Risk Management
- OASIS Workers' Compensation

Delphi Technology is headquartered in Boston, MA, with sales, support & development offices throughout North America as well as in Shanghai, China.



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additional training to enable greater proficiency, proper use of the system, and adherence to processes.

### Built-in PIAA Reporting

With their legacy system, KaMMCO was unable to report data to PIAA and take advantage of the data sharing among PIAA member companies. With OASIS, KaMMCO is able to contribute data and take advantage of the repository of shared data for improved risk analysis.

### Sarbanes-Oxley (SOX) Compliance

As a mutual company KaMMCO is not yet subject to SOX, but the company's state and internal auditors are more aggressively looking to SOX-like compliance and reporting. KaMMCO acknowledges that meeting these new and more stringent requirements would have been much more difficult with the previous system or if KaMMCO had chosen to build the new system in-house.

### Personalized Support

KaMMCO has been leveraging the depth of industry knowledge within **dti**. The **dti** staff has been able to support individual users as well as provide tactical support for strategic business decisions.

*"There are so many capabilities that OASIS offers - I can't even list them all. But, in addition to the system, the support dti provides has been outstanding. They seem to have a sixth sense and find issues and ways of using the system that we don't even uncover. It's not a fluke - it's dti hiring the right people and managing them well."*

*Kristen Mark*

## Future Plans

KaMMCO has recently completed implementation of the latest version of the OASIS Document System (ODS2). Additionally, KaMMCO plans to continue expanding its use of the OASIS system as well as leveraging the internet to provide more services to policyholders. Over the next 1-2 years, KaMMCO plans to implement OASIS Policyholder Services (PHS) to provide more functionality to their insureds - such as print a certificate of insurance, view/print loss runs, create credentialing letters, claims submissions - all via the web.

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