



The Midwest Medical Insurance Company

Prepared By:

Delphi Technology, Inc.



“If Letterman were doing a Top 10 List on our success, dti would be on the list.”

Niles Cole, Chief Financial Officer, Midwest Medical Insurance Company

The following case study describes the extensive benefits derived by Midwest Medical Insurance Company (MMIC) by using Delphi Technology, Inc.’s OASIS product. Headquartered in Minneapolis, Minnesota, MMIC provides medical professional liability, property and casualty insurance, and a range of technology and human resources products and services to physicians, clinics and hospitals in the Upper Midwest.

OASIS Includes:

- Policy Management
- Claims Management
- Policyholder Services
- Risk Management
- Reinsurance
- Advanced Workflow
- Document Solution
- eApp
- eQuote
- eRate Indicator

Headquartered in Minneapolis, Minnesota, MMIC provides medical professional liability, property and casualty insurance, and a range of technology and human resources products and services to physicians, clinics and hospitals in the Upper Midwest.

According to MMIC, its systems environment was in a “shambles” in 1996. MMIC was administering business using an out-of-date, in-house developed system with a green screen interface. Niles Cole, their newly hired Chief Financial Officer, conducted a review of operations that confirmed that there would be significant benefits to be gained by modernizing the company’s technology environment. Niles recruited Tom Lee to head up the IT operation and they began their effort of finding a new system.

The Solution Search

With Tom coming onboard in June, 1997, they wasted no time in getting the solution search and subsequent implementation project underway. The MMIC team already had a good amount of knowledge about the technology vendors and solutions in the Medical Malpractice / Professional Liability market. They also talked to their peer companies who were also members of PIAA (Physician Insurers Association of America). With this good base of market knowledge, it made it much easier for MMIC to narrow down the field and make a selection.

Although dti’s OASIS system was still not fully developed at the time, MMIC liked what they saw, put their faith in dti’s CEO, Sam Fang, and took what Niles calls “a leap of faith with dti.” MMIC did do some additional due diligence with a site visit to a dti client.

By early August of 1997, just two months after taking on the modernization initiative, contracts were signed with dti for the OASIS product.

“After looking at what was available in the market, we found the decision to be a pretty easy one. We felt that dti’s OASIS was the only product that would work for us.”

Niles Cole

The Implementation

“We purchased in August and were issuing bills with OASIS by December. That’s pretty incredible.”

Niles Cole

Starting with the OASIS billing function, MMIC has continuously extended its use of the OASIS system. In 1999, they went live

with claims and policy administration, noting that the most difficult part of the implementation was the conversion of 19 years of data.

As MMIC expanded its use of the OASIS system, the system itself was maturing with new functionality being added on an ongoing basis, further solidifying the strong partnership between MMIC and **dti**. This partnership served MMIC well in 2001, when St. Paul Fire and Marine chose to move out of the Medical Malpractice market, while still other carriers in the space were facing insolvency. MMIC was well positioned with its expertise and technologies to seize the opportunity, doubling its size in just 18 months - with no need to hire additional staff.

The Results

Growth without Growing Pains

MMIC continued its growth path, growing to \$90 million in 2002, still with no need to increase staff to process business. Staff has been added over the past three years to expand MMIC's presence in the Midwest and to take better advantage of the ties and loyalties of agents in the region.

Improved Customer Service through Enhanced Offerings to Policyholders

With the company's growth has come the ongoing expansion and refinement of its use of the OASIS system.

- In 2004, MMIC began rolling out the OASIS web products with Policyholder Services.
- In early 2006, doctor policyholders were offered the option to pay online and set up recurring payments.

"dti's OASIS has made us incredibly efficient. We are considered a leader in the Med Mal market in large part due to our dti relationship."

Niles Cole

Exceptional Benefits for the Cost

In analyzing the cost of working with **dti** compared to building a system in house, Niles cites a peer company that is approximately 1/3 larger than MMIC (16,000 insureds compared to MMIC's 12,000.) Niles estimates that the other insurer has an in-house IT staff of about 25 at an estimated \$150K per year for salary and benefits, translating to a \$3.75 million per year investment. He notes that the peer company

invests in less than two years what MMIC has invested in total over its ten year relationship with **dti**.

Built-in Best Practices Sharing

MMIC participates in the annual OASIS Customer Group, at which hundreds of OASIS users meet to discuss best practices and procedures, as well as discuss potential future enhancements.

"One of the greatest things about being a dti OASIS customer is the collaboration between all of the other OASIS user companies. All the enhancements go into the base system for the benefit of the entire user community. It's like having 600 underwriters or an IT staff of 500 working to find new ways to use the system and make it better."

Niles Cole

Future Plans

MMIC's plans include looking more and more to **dti** for web capabilities. Among insurers in the Med Mal market, MMIC feels they are ahead of the web curve, but can still do quite a bit more. They note that additional web capabilities are available in OASIS; they just need to take advantage of what is already there.

They are currently testing OASIS eApp with the objective of pre-filling renewal applications with past information, sending via the Internet, having physicians change application information as needed and submitting electronically. While it currently re-apps renewals every three years, MMIC's goal is to re-app renewals every two years.

Additionally, MMIC is aggressively working towards the Malcolm Baldrige Quality Award, with **dti** as an integral part of the strategy.

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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