

## Cornerstone National Insurance Company Case Study



Cornerstone National Insurance Company, Columbia, Missouri

50 employees, 20 DataFlow users

Sells preferred auto insurance, flood insurance and crop insurance in Missouri, Kansas, Arkansas, Oklahoma and Florida. The company also is a carrier for the National Crop Insurance Company, selling crop insurance in Louisiana and Colorado.

**Problem:** Paper documents and manual processes caused wasted space, unnecessary time spent looking for files, and additional expenses for offsite storage and hiring temporary employees to help manage the paper. Agents and the underwriting and new business processes were not working optimally

**Solution:** DataFlow Manager, Engine, Scan, Index, Retrieve.

- Reduced expenses
- Automated manual procedures
- Reduces space needed for storage of paper documents
- Improved customer service
- Improved efficiency of agency, underwriters and clerical staff.

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### **The Challenge**

In 1997, when Cornerstone National Insurance Company opened its doors, it was a small company doing business in a small office. As business grew, so did the amount of paperwork. After a few years, the growing paper problem demanded resolution.

Roger Walker, senior vice president and chief operating officer, said, “We were quickly becoming consumed. Our filing cabinets were full.” Cornerstone National’s conference room turned into a filing room, and they had to hire a staff of part-time workers every summer to make sure the files were in order. To accommodate the growing amount of claims paperwork, the company leased offsite storage, which increased operating costs and increased time and labor when documents needed to be retrieved.

### **The Solution**

Cornerstone National handles up to 1,500 claims annually. Documents are between two and 1,200 pages long. The company also manages underwriting files for which they process up to 3,000 changes per month.

A shareholder recommended NuParadigm, and Cornerstone National decided to license DataFlow as a cost-effective way to solve its data management and storage issues. The installation was smooth and unobtrusive, according to Walker. Implementation lasted a day and a half.

“With the NuParadigm solution, we were able to totally image our backlog of files, and because we were getting away from hard copies, on an ongoing basis, it was easier to keep up to date going forward.” After all the previously stored documents were imaged, indexed and electronically stored in DataFlow, Cornerstone National was able to reduce its clerical staff to just a few part-time workers that handled filing and the management system. The DataFlow solution eliminated the need for five part-time workers.

On the distribution side, agents who sell the insurance now handle the data entry on new business applications, and imaged documents are stored electronically for easy retrieval. DataFlow has helped reduce the agents' reliance on the home office. Underwriters and claims representatives retrieve scanned documents electronically now, instead of having to search for the paper copy.

NuParadigm's service has been good, according to Walker. "Back when we started, NuParadigm was responsive, timely and cordial. We didn't have any problems then, and to my knowledge, we have no problems now. We have been satisfied with the software. It's been pretty stable for us." Walker added that NuParadigm came to the rescue by recovering images lost when one of Cornerstone National's servers failed.

"That was a very positive experience," Brothers says.

When DataFlow was implemented, one concern Cornerstone National had was with document imaging in legal proceedings. The company was concerned about the validity of electronic images because the imaged documents could be altered, making them inadmissible as evidence in court. But because DataFlow date stamps images and doesn't allow manipulation of the original document, the software solves the issue.

Six years after the implementation, Cornerstone National has more than 450,000 documents in its DataFlow repository. The company is working toward automating additional functions so its endorsement routine will be just like the new business routine. Currently, changes are faxed or mailed, scanned and manually entered. All they have left in storage is audio tapes and certain types of photographs.

Cornerstone National will beta test DataFlow version 9.0. The company also plans to further expand the DataFlow solution by adding electronic check and invoice processing capabilities through DataFlow.

### **Summary**

DataFlow enabled Cornerstone National Insurance to scan, store and retrieve almost a half million documents. With no need to continue offsite paper storage, the solution has reduced storage costs and cut the number of employees needed to manage the manual process. The solution provides results faster and lets employees focus on important aspects of their jobs instead of on finding and processing paper.