CASE STUDY

Smart Document Processing

- An Insurance Serving Solution That Learns As It Processes

ATI Systems, (now Cognasys®) was hired by, a leading provider of insurance outsourcing services who partners with financial institutions (including at that time, the nation's top two mortgage servicers - Washington Mutual and Wells Fargo Home Mortgage), auto dealers, retailers, and utilities to distribute products and services using its technology, processing and marketing capabilities. Early in 1999, their insurance service centers processed more than 15 million pieces of mail.

THE CHALLENGE

Insurance processing is an inherently complex business that uses documents with literally thousands of different formats which must be matched to loans. Once matched, a complex set of lender's business rules must then be applied to determine if the insurance adequately satisfies the requirements of servicers and investors.

These insurance processing services were being performed by a staff of "knowledge" workers that were highly-trained on the business rules which varied by lender. Additionally, the system they were using required form templates and since forms were constantly changing – their templates became outdated very quickly.

THE SOLUTION

ATI Systems was brought in to design a solution that would recognize the data on the forms rather than the "format" of a template. Using Cognasys®' unique Expert System technology, which mimics a human's cognitive recognition ability, they successfully built a "template-less" solution that was smart enough to search out key words such as policy numbers, names, loan numbers, premium amounts, deductibles, etc. This meant that when their forms

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changed or new ones are introduced, the appropriate data would continue to be extracted without complications or interruptions in service.

In addition to this new way of extracting data, the solution also provided an equally important component - an automated business rules processor. The data extracted from a form was sent directly to the rules processor and then based on the lender's rules, would perform tasks such as locating the loan on the servicing system, updating required fields, generating and sending letters to borrowers, setting up a disbursement (if the loan was escrowed), etc. Again -- without need for any human intervention.

THE BENEFIT

ATI's customer was now able to perform their work in a much faster, automated manner, with better quality, and at a

significantly lower cost. Completion rates (the percentage of documents processed without assistance from a human processor) averaged in the high 80% and accuracy rates (the percentage of documents that processed correctly without errors) averaged over 98%.

And another benefit provided by this new solution - resources could be redeployed to provide other valuable services to customers.

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