



Industry  
**Healthcare**

Process  
**Claims bills payment**

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## Increasing efficiency of claims bill payment process by 15 percent for one of U.K.'s largest healthcare insurer

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Our client is one of U.K.'s largest provider of health insurance and one of the largest insurers in the world. Their health insurance products range from private medical insurance to income protection covering more than 750,000 lives.

The claims bill payment process involves managing the medical bills for policy holders that are received from specialists and hospitals in the U.K. under a cashless facility and also managing the reimbursement bills from the policy holders.

In 2005, our client decided to offshore its claims bill payment process to India with the objective of increasing process efficiency while reducing cost. They chose WNS as their partner.

### The WNS Solution

Before outsourcing, all claims payment associates (CPA) would randomly receive corporate, small group and individual bills for processing. The bills would then be suspended in the event any information was missing which would be followed up by the CPA at a later date. Every CPA owned his own suspense queue, pursuing the suspended claims each day.

This process resulted in a growing suspense queue, delaying payment to the customer. There was clearly a need to improve the process, increase efficiency and customer satisfaction.

The WNS team realized that re-engineering the present operational model would result in better customer service, and significant cost savings. A LEAN Sigma project was initiated to identify process gaps and increase efficiencies.

Among the key process improvements initiated were

- **Customer experience**  
Specialized teams were created based on bill prototype, i.e. separate teams were created to work on individual, small group and corporate bills. This simplified the training process as a CPA would only process one type of claim, hence increasing efficiency and improving customer experience.
- **Six Sigma process excellence**
  - Through a Six Sigma process excellence program, further changes were implemented in the process. A separate suspense team was created for managing both the specialist and hospital bills. This team was responsible to investigate and settle every bill that was

suspended by the CPA. Since the team's primary job was to work on suspense bills, it was easier to follow up and settle the bills by a targeted planned completion date. This Six Sigma project thus improved the overall efficiency of the process and enabled the team to process larger volumes with the same number of FTEs.

- The suspense bills management team follows up regularly with the U.K. counterparts to reduce inaccuracies and improve the turnaround time on the bill.

## Extending Your Enterprise

Given the success of the LEAN Sigma initiative, the WNS team was able to improve efficiency by 15 percent and reduce the number of resources by 10 percent.

### Benefits delivered by the WNS team

- **Increased productivity gains** - Separating the suspense processes from the bills processing increased productivity, resulting in better controls and rigorous quality measures while paying the bills. This translated into larger volumes being processed with improved customer service.
- **Improved accuracy** - With the help of the LEAN initiative, the team increased the overall accuracy of bills being processed from a 98.50 percent to 99.50 percent thereby significantly reducing errors which result in incorrect payments or delays.
- **Exceeded savings target** - WNS team exceeded the savings target by 8 percent in the first year of migration and 18 percent in the second year.

## About WNS

WNS is a leading global business process outsourcing company. Deep industry and business process knowledge, a partnership approach, comprehensive service offering and a proven track record enables WNS to deliver business value to the world's leading companies. WNS is passionate about building a market leading company valued by our clients, employees, business partners, investors and communities.

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To learn how we can help extend your enterprise,  
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