



# Case Study

*Fortegra Financial Uses InRule® to Automate Decisions for Claims Adjudication*

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**“With InRule, we’ve seen specific evidence of better decisions.”**

*Director of Application Development  
 Fortegra Financial*  
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Insurance claims processing involves myriad and complex decisions that require deep knowledge of industry rules and regulations. Because this knowledge exists primarily in the heads of industry experts, many claims processing systems require costly and time-consuming manual intervention to determine the appropriate outcome of a claim.

This case study illustrates the process one firm went through to automate the claims adjudication process and integrate a legacy system with new applications—all on a very tight deadline.

## FORTEGRA FINANCIAL

Fortegra Financial is one of the nation’s most recognized business services companies and a leader in insurance marketing, administration, technology development and distribution. Fortegra’s customers include leading national banks, financial institutions, and retailers as well as a large variety of regional and local financial and insurance concerns.

Fortegra provides its clients with claims processing services for policies including Life, Disability, Unemployment, and Accidental Death or Dismemberment (ADD). Fortegra must maintain and manage a wide variety of complex claims processing rules: the rules for processing claims vary for each type of policy; in addition, each insurer writes its own policies, so claims rules vary by insurer as well.

## PROJECT OVERVIEW

Fortegra has a mature, AS/400-based claims processing system that handles thousands of claims per year. However, this system required manual intervention by business analysts to handle the claims adjudication process—determining the outcome of a claim and the amount of the insurer's payment. The business analysts involved must have a deep knowledge of the rules that determine the outcome of claims.

Even with the business analysts' deep industry expertise, personal interpretation could vary so the claims adjudication process was not standardized. Fortegra sought to leverage the knowledge and experience of these skilled business analysts to standardize and automate the process of determining an insurer's payment and financial responsibility. Fortegra wanted an easier way to make accurate, consistent decisions based on the unique and appropriate set of rules for each claim.

Fortegra looked at a variety of technology solutions, including Business Process Management (BPM) suites. As the company evaluated the technology and its priorities, Fortegra determined that while BPM suites may provide value longer term to connect and integrate systems within organizations, it could not help to solve the urgent business need of executing and automating claims adjudication decisions. BPM systems have workflow and integration capabilities that are more than what the project needed, yet lacked the business rules capabilities necessary to author and manage complex decision logic involved with claims adjudication.

With an urgent need for automating claims adjudication, Fortegra decided to postpone consideration of a BPM tool and focus on business rules. As the company considered its business rule solutions, Fortegra had two primary criteria: interoperability and usability.

- Historically, Fortegra's systems were AS/400 (IBM iSeries) but most new applications are .NET and web-based. The business rule solution would have to be robust enough for the skilled .NET developers and work well with .NET, web, and legacy systems.
- The rules solution would also have to be intuitive enough for business analysts to understand the function of a rule. Fortegra decided to continue having developers author the rules, but it was essential that business analysts could examine the rules for accuracy.

Fortegra selected InRule because of its native .NET strength and its ability to interoperate easily with other systems, including legacy systems. InRule's robust irSDK made the rules completely embeddable and compatible with other systems.

With the technology selection complete, Fortegra immediately began work. **"We didn't have the luxury of doing a pilot; we dove into the ocean,"** said Fortegra's Director of Application Development. **"This was a mission critical, high profile project."**

Because Fortegra was on a tight deadline, the team did not have time to rewrite the legacy AS/400 Claims System and instead sought to automate the manual claims adjudication process. Fortegra now uses InRule to automate the decisions formerly made manually by its business analysts in the form of reusable business rules.

Fortegra defined a standard set of rules for claims adjudication and can call these rules from multiple systems, including the AS/400.

**"Getting business rules out of the system is big, both in terms of financial savings and from an architectural point of view. Keeping the rules separate helped simplify testing as well,"** said the Director of Application Development.

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### Interoperating with the AS/400

**Using a PHP interface, the RPG application calls a web service written by Fortegra using WCF and wrapped around an in-process call to the InRule engine.**

**Fortegra decided not to query the AS/400 for the data. Instead, the AS/400 makes the request and sends both the data and requests to InRule. The RPG application collects the information, does the pre-processing, and then calls InRule via web service.**

**InRule executes the rules and returns the decision to the AS/400.**

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For end users, the change is transparent: it merely eliminated the need for human intervention that could slow down the process.

Deploying an InRule-powered application streamlined a key business process. The adjudication process had been done manually for a very long time and all the knowledge necessary to accomplish it was in the heads of business analysts. Fortegra employed a collaborative process between IT and the business to define, deploy, and maintain the adjudication rules. This collaboration helped uncover issues that had not been addressed before and was a valuable exercise in standardizing how decisions are made.

With the InRule-powered system in place, Fortegra is seeing two key benefits: reducing the cost of processing a claim and increasing the accuracy of claims processing.

As the application development director explains, “With InRule, we’ve seen specific evidence of better decisions and expect quantifiable results, which we are starting to measure. Without InRule, I don’t think we would have put this system in place with the time we had with the same high quality.”

“We can automate decisions now without dealing with the complexity and difficulty of implementing BPM first. Now that decision automation is in place, we can move toward BPM when we’re ready, knowing that whatever BPM tool we use, we can still use InRule.”

*95% of InRule customers would recommend InRule to a colleague.*

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