IBM

Getting 3 ½ hours back every day

New Mexico Mutual frees employees
from repetitive tasks using RPA

by Rob Spencer

5-minute read

If you could get three and a half hours back per day, what would you do with that time? For New Mexico Mutual, time saved is time devoted to improving customer service by maximizing the human attention given to internal and external stakeholders.

"Our top priority is the customer service we provide to our agency partners, policy holders and their employees," says Roberta De Bruijn, Director of Innovation & Analytics at New Mexico Mutual. "Together with healthcare professionals, we help workers to recover and return to work after they experience an on-the-job injury. We also provide guidance and training to help business owners make their workplaces safer."

As a workers' compensation insurer, New Mexico Mutual understands the

importance of bringing true human empathy to customer interactions. That's why the company recently worked with IBM Business Partner PMsquare to implement a bot, based on IBM® Robotic Process Automation software, that automates insurance policy renewal processes, dramatically accelerates processing times and, most importantly, frees up time that can be given back to customers.

When they arrive for work in the morning, New Mexico Mutual's underwriters face queues of policies due for renewal. "It could be five to ten policies during lower volume periods, and up to 30 during seasonal peaks," explains Cynthia Luna, New Mexico Mutual's Director of Underwriting and Customer Service. "Each renewal takes from 20 minutes to one hour of work, depending on the complexity

Previously, policy renewals took 20 minutes. With RPA, they take

5

minutes

New Mexico Mutual's RPA bot has issued

700+

renewals, and counting

of the account." On average, renewals account for 80% of each underwriter's workday, and the underwriters allocate the remainder to things like visiting agencies and handling other customer service inquiries — valuable tasks despite the limited time.

When New Mexico Mutual recently planned to raise policy thresholds for renewals in its Small Business Underwriting unit, Luna and VP of Underwriting Kristen Carey knew the change would generate a surge in policy renewals for that unit, and they recognized the importance of automating parts of the renewal process. De Bruijn, in turn, felt they could meet the challenge by combining RPA with a rules-based analytics

engine based on the company's enterprise data warehouse.

It was important, however, to define the right mix of automation and human work — to decide what should be automated in order to maximize the value that human staff bring to the business and to customers. For example, De Bruijn explains that before a policy can be renewed, an underwriter must assess the risk level of the policy. This includes reviewing claims histories as well as employers' current safety procedures. These are not standardized, repetitive tasks. And a mis-assessment could cost the company millions of dollars in just a single claim. Thus, risk assessments will continue to rely on human expertise.

But renewals depend on many simpler actions, too. "The underwriters have to gather information from defined, formatted sources, they have to document policy changes, and they can spend up to 10 minutes on one renewal just attaching documents," says Luna. It is these kinds of tasks that the Innovation & Analytics team look for when assessing how automation can generate value.

De Bruijn and team analyzed the renewal process and identified time consuming and repetitive tasks, as well as the overall impact on time savings to the business. Then they began seeking the right automation solution.

A bot named Rebel

The New Mexico Mutual team made it a point to reach out to PMsquare, a strategic consultancy specializing in data and analytics solutions. Having worked with New Mexico Mutual for nearly 10 years on various projects, PMsquare understood that New Mexico Mutual has a stronger appetite for innovation than many other insurers. As Kevin Emanuel, PMsquare's Vice President of Sales, says: "Some companies still need to be convinced that analytics and automation are the way to go. New Mexico Mutual is more like, 'Help us find the right way.'"

The right way, in this case, was IBM Robotic Process Automation.

PMsquare takes a technology-agnostic approach to its consulting

engagements and looked at multiple automation solutions with New Mexico Mutual.

The New Mexico Mutual team noticed some important differentiators with the IBM solution. The flexibility of multiple

software integrations was key, since policy renewal has a lot of steps. The team liked that they could use the RPA solution to do web scraping and interact with a number of tools — some internal, some external — including read/write databases and more.

Ease of use and speed of deployment also stood out. De Bruijn explains how you can take advantage of the low-code nature of the IBM RPA solution. A standard task can be automated much faster than coding the automation from scratch.

PMsquare's expertise also helped with the ease and speed of the implementation. "It was a pleasure to work with PMsquare," says Luna. "The process was smooth and easy. We were pleasantly surprised how little time it took and how easy it was to get the automations up and running."

Ultimately, New Mexico Mutual and PMsquare used IBM Robotic Process Automation to automate 100% of the manual tasks involved in policy renewals. New Mexico Mutual named its RPA bot Rebel. According to Luna: "Rebel currently takes about 10 renewals per underwriter during our highest production periods, handling all manual tasks for those renewals. It saves a lot of time, and as we implement a higher premium threshold, it will bring even more workload relief."

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Gaining back time for better service

Average policy renewal time at New Mexico Mutual used to be 20 minutes. With Rebel, it's five minutes. A sub process like policy assignment that used to require a minute of someone's time is now completed in ten seconds or less by the RPA bot. Across a full workday at New Mexico Mutual, these improvements give three and a half hours back to staff.

Luna's Underwriting team is pleased. "The increased use of Rebel to renew multi-year insureds with good performance allows me to put more time and care into the renewals of policies that need more attention,"

says Small Business Development Underwriter Michael Landgraf.

"Rebel has issued 700+ renewals that would have taken many underwriting man hours to complete," says Adam

Brooks, Small Business Underwriter/ Analyst at New Mexico Mutual. "The automation of those qualifying, low-risk renewals has freed up the Underwriting team to devote more resources to complex risks and allow more time

for service excellence to our various stakeholders."

Landgraf now spends more time making in-person visits to agency partners, strengthening business relationships and collaboration. Brooks has been able to focus more on high-value reporting that provides insight into new business submissions — helping improve accuracy and risk management.

Moving forward, New Mexico Mutual isn't limiting RPA to policy renewals. "We have also built two additional RPA bots for our claims department and one to assist in business analytics," says De Bruijn. And the rest of the business has noticed. "In 2022 we've already gotten a lot of requests from our business teams. So we are going to continue that growth and automation."

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About New Mexico Mutual

New Mexico Mutual is the largest writer of workers' compensation insurance in the state of New Mexico, providing quality, cost-effective workers' compensation coverage to New Mexico businesses for 30 years. New Mexico Mutual has an A- (Excellent) rating from A.M. Best. For more information, please visit www.newmexicomutual.com.

Solution component

- IBM® Robotic Process Automation

About PMsquare

IBM Business Partner PMsquare (external link) is a strategic consultancy that helps companies define, develop and deliver data and analytics strategies and solutions. Its team of analytics experts focuses on customers' business goals and builds end-to-end solutions with a technology-agnostic, cloud-first approach. PMsquare is headquartered in Chicago, Illinois.