New Case Management (NCM)

A case of the Suva (Swiss National Accident Insurance Fund)
Summary

In order to ensure high-quality, customer-friendly and cost-effective claims management, Suva, Swiss National Accident Insurance Fund (Caisse nationale suisse d’assurance en cas d’accidents (SUVA)) has completely redesigned its claims management system by optimizing processes and including representatives of all the customers and partners involved in the process.

The core element of the new concept is the prompt and comprehensive care of accident victims in complex cases. In the case of specific disabilities and in particular, subjective circumstances, Suva initiates the proactive care of accident victims immediately after the event. In addition to medical requirements, this intensive support is also intended to protect the insuree’s job, and to extend to the coordination of claims against other insurance companies. Within the legal limits imposed upon its services, Suva wishes to ensure that even difficult cases do not become a problem. The aim of a holistic approach is to find better solutions for insurees.

As well as optimizing processes, the organization lays the foundations for timely and needs-oriented communication in claims management and making even greater use of existing IT capabilities. The ultimate aim is to process uncomplicated claims as automatically as possible in order to create more capacity for the new claims settlement activities.

Suva’s new process structure uses claims management resources in an even more focused manner in those areas where they bring the greatest benefits for accident victims and insurers alike. The New Case Management thus concentrates on the 2 per cent of claims which account for 60-70 per cent of insurance costs. This enables SUVA to find better solutions for the accident victim and reduce human suffering. It also helps to contain rising disability pension costs.

CRITERIA 1:

What was the issue/problem/challenge addressed by your good practice?

Advances in IT have created new opportunities for automated claims processing. A satisfaction survey carried out among insured persons revealed that the majority of accident victims were satisfied to very satisfied with their case management. Overall satisfaction was excellent, at 87 out of a possible 100. However, the survey also revealed some weak points. In particular, there was criticism of the handling of severe and complicated claims.

An in-depth analysis of chronic disease cases confirmed these weak points. Insured persons, particularly those who have been severely injured are often chiefly concerned about major life
problems. Job insecurity and insecurity about their occupational and economic future play a significant and stressful role. Their occupational and social environment i.e. factors unconnected with the accident, have a significant influence on their recovery and medical outcomes.

The cost development and cost structure of claims are also significant. 70 per cent of claims are covered by only five per cent of Suva’s insurance costs, whereas the two per cent of most expensive claims are responsible for approximately 65 per cent of insurance costs.

This realization led Suva to carry out a thorough and critical evaluation of its claims management procedure. Suva had previously concentrated on ensuring optimal medical treatment for accident victims and dealing efficiently with the administrative and legal aspects of their claim.

That was enough to fulfil the Fund’s legal obligations, but it did not always meet the expectations of severely injured customers or those with complicated claims. SUVA decided to change that situation.

CRITERIA 2:

What were the main objectives and the expected outcomes?

New case management focuses on several aims:

- To adapt the case management process appropriately in order to achieve prompt, comprehensive and effective handling of complicated claims.
- To enable timely and needs-oriented communication when a claim arises.
- To provide electronic platforms for automated processing of uncomplicated claims.
- To streamline routine operations in order to create additional capacity for more efficient and customer-friendly processing of complicated claims.

With the New case management project, Suva aimed to achieve a reorientation – indeed a paradigm shift – in the processing of personal injury claims. New Case Management (NCM) is not a cost-reduction programme, but a quality improvement programme intended to achieve the best possible integration. Naturally, successful rehabilitation does also reduce costs in high–cost cases.

CRITERIA 3:

What is the innovative approach/strategy followed to achieve the objectives?

Suva has completely redesigned its claims management system by optimizing processes and integrating all parties involved in the process (accident victim, employer, service provider,
accident insurer and other insurance companies). This has a large number of effects and requires a number of changes, such as:

- Creation of three new categories of claims: this brought a radical change in the skills required of staff (empowerment). The newly appointed case managers for complicated claims required particularly intensive training;
- creation and maintenance of a network management system for the internal and external partners involved in dealing with a claim;
- changes in the organizational and operational structure of Suva’s agencies and central support units as result of the new process orientation;
- creation of a systematic and comprehensive project control system because of the reorientation of process thinking required to adapt to the new system (management system, process roles, process indicators, etc.).

**CRITERIA 4:**

**Have the resources and inputs been used in an optimal way to implement the practice?**

- A project-specific information and communication plan has been developed in collaboration with communications experts to meet the needs of internal and external actors. Appropriate information has been provided thus at the appropriate time, at all levels and using various information channels.
- The staff skills have been improved by a needs-oriented training programme.
- Information, training and team-building activities were used to support the process of change among key stakeholders.
- Under the leadership of a change manager and with the collaboration of the line manager, organizational (process and structural) changes were initiated and implemented in agencies and affected specialist departments. The progress of implementation was regularly monitored.
- As part of process control, the required indicators were defined and installed.
- As part of risk management, a risk analysis was undertaken to identify potential risks which were grouped and weighted. The list of weighted risks was regularly monitored for changes.

**CRITERIA 5:**

**What impact/results have been achieved so far?**

Process optimization in claims management using the NCM method was completed on schedule. The new case categories have been defined, staff has been trained, processes and structures have been adapted. Claims management is conducted according to the NCM method in all agencies. The focus on complicated claims is having an effect (a sharp fall in new pension costs/increase in customer satisfaction with the handling of complicated claims). NCM has become a benchmark in the insurance world.
Suva was awarded the *Schweizer Assekuranz* innovation prize for 2004 for NCM. Automation of claims management increased, particularly for standard claims (electronic files, abolition of paper files, increased numbers of electronically submitted claims and treatment invoices, better automatic invoice control, etc.).

**CRITERIA 6:**

**What lessons have been learned?**

The key elements of the overall success of the project are:

- clear leadership in and responsibilities for the project: the project was clearly identified with particular people. Responsibilities for execution/implementation were clearly defined;
- technically competent and motivated staff: the training for the new claims management system was able to build on a very good skills base;
- methodical project and change management: implementation of a systematic and methodical operation of the project; persistence in change management in order to achieve attitude change in the core business;
- a mandatory communications policy from the beginning of the project: Firstly, this ensured authoritative, appropriate and timely information for all those involved and otherwise interested. Secondly, information which might jeopardize the project was not distributed randomly. In particular, there was nothing to encourage an "entitlement mentality" before Suva’s new services were satisfactorily implemented in both quality and quantity.

The major challenge management faced by the project was the positioning of the project as strategically important. It has been overcome thanks to the persuasiveness and the persistence of the initiator of the project, especially when convincing the Board of Directors.

Another big challenge related to the financing of the additional operating costs incurred in the implementation of the plan. Since the value of new case management is also reflected in insurance benefits as loss-minimizing expenditure, the additional operating costs were partly financed as insurance benefits.

**CRITERIA 7:**

**To what extent would your good practice be appropriate for replication by other social security institutions?**

A selective analysis of the cost/quantity structure allows the main points to be identified. The processes must then be progressively adjusted to reflect these points (process optimization). Ideally, external partners should be involved in the analysis and definition of the target processes.