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CNA's Agency Bill Pay Tool Streamlines Reconciliation, Disputes

By Pat Hurston, CNA

We spend many hours talking with agents and agency accountants about opportunities to improve billing processes. It's how we learn where CNA stacks up against its competitors. It's also how we discover service gaps and determine what all carriers, including CNA, could do better. One of our key learnings is that few jobs are more complex than reconciling billing statements. Probably that isn't a shocking surprise. Reconciliation and dispute resolution is no picnic for carriers, either. But, the problem is especially acute for agencies with limited staff, who deal with multiple carriers, systems and processes. Every billing issue is one more barrier to efficiently making payments.

When confronted with a challenge to improve the billing process, our first thought is, "How can we make it easier to do business with CNA?" In the case of reconciliations and disputes, we've done just that. And we're proud to say that CNA is the only carrier, so far, that has.

Our new tool is called Agency Bill Pay. Similar to other online billing and payment systems, agents can view their bills with Agency Bill Pay and pay them with a click of a button. Unlike other systems, with Agency Bill Pay, agents are also able to reconcile bills online and view payment discrepancies instantly, submit disputes electronically, access policy documents, and upload their account current detail, eliminating days of back-and-forth communication with CNA.

Here's how Agency Bill Pay works: When a policy is sold, CNA creates a receivable and loads it onto Agency Bill Pay, where it can be viewed by the agent the next day. Monthly, agency bill statements are generated, stored online, printed and mailed. At the same time, email alerts are sent to the agents notifying them that they can access their statements and billing detail online. Agents can review and reconcile these statements electronically or upload their payables from their agency management system for an immediate electronic comparison. One of the project leads, Dan Cox explains, "We wanted to make the system work for both agents and brokers, whether



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they have a large volume of transactions with CNA or just a few policies to pay." If the agent agrees with the amounts, he or she can click a button that essentially says, "I agree, and here's how much money I'm going to send you." But if something is amiss on any policy or specific billing item — for instance, our receivable system says the agency owes us \$100 and the agent's payable system says they owe \$50 — the agent has the option of offering an explanation online, sending attachment(s) if warranted, and their CNA Representative can immediately start working to resolve the issue. Agents can view the progress of the discrepancy resolution on Agency Bill Pay anytime and request status updates electronically if they choose. An e-mail message is sent to the agent once the discrepancy is resolved.

Once everything is reconciled, CNA posts a new receivable for the agent's review. Then the agent simply selects a payment date, clicks and pays. And when the payment arrives at the bank, no manual payment reconciliation is needed; it will match automatically in accordance with the payment selections provided by the agent. Most agents don't do reconciliation on a one-off basis. This system enables them to submit payments as often as they need to: once a month on the entire statement or every day on individual policies. Agency Bill Pay also enables account current agents to upload their account currents from their agency management systems into Agency Bill Pay. It reconciles items that were loaded to the balances in CNA's system and displays discrepancies instantly. In the past, it typically took two weeks to process account currents and produce the statement that explained any discrepancies. Then those statements were mailed. Now, agencies can get that information instantly. The process reduces days of work into minutes.

People are still involved in the process in the case of exceptions. However, by expediting communication online and by enabling agents to reconcile and pay at their convenience, we are able to avoid telephone tag, paper processing and mail delays.

Whether agencies are account current or premium statement agencies, Agency Bill Pay has put valuable information at their fingertips and provided them with greater self-service capabilities than ever before. Policy docu-



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ments, commission statements, 12-month payment histories and other sought-after data are available instantly.

Our Agency Bill Pay project manager, Marina Krevenya, put it best: "Our intention was to revolutionize how business is done between agents and carriers. We wanted to eliminate the need for agents to perform hours of reconciliation and to give agents control over how their payments are processed by CNA. Agency Bill Pay does all of that."

Feedback from agents has been positive. They're telling us "We wish every carrier was doing this."

***About the Author:** Pat Hurston, VP Billing and Collections at CNA (Chicago), has over 30 years of executive management experience, in both the insurance and banking industries. She currently manages a multi-billion dollar portfolio of billings related to commercial P&C insurance coverage and oversees over 200 associates in five locations across the U.S. She has led her team to record cash metrics, including the reduction of bad debt by 97% and expense by nearly 30%. Before she joined CNA, she was senior VP of Government Financial Solutions for Bank One (JP Morgan Chase).*



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