



CGI Edge®

Enables the Virtual Office for Insurance Carriers

Today, more and more insurance companies are demanding systems that support, or enhance, their virtualization strategy. Systems must not only enable “work from home” or telecommuting programs, but are expected to be available anywhere and anytime. The insurance agent expects to be able to connect to a system in the office, at home, at a coffee shop, or even on the golf course. As technology advances enable our ability to access information anywhere, so must core systems. CGI Edge® meets this challenge.

CGI Edge is a fully integrated, easily configured, web-based suite of core insurance solutions designed to be a complete processing hub for an insurance carrier. CGI Edge encompasses policy (coupled with automated rating and underwriting), claims, billing, agency/producer administration and management, with integrated workflow and imaging as one of the key components that enables virtualization for an insurance carrier.

CGI Edge excels in enabling the virtual office because it has been architected from the beginning with this model in mind. A critical element in a sustainable virtual office strategy is the ability to use the system functionality from any location, with any computing device, and with consistent application of your business rules. CGI Edge easily meets this requirement with its thin, and rich, browser-based user interface that leverages, and enforces, centrally-managed business rules. Its use of standards-based technology allows it to operate in most modern browsers on most platforms and ensures your investment will endure.

CGI Edge’s user interface isn’t the only means of achieving a virtual office strategy. CGI Edge is built on the Microsoft .NET framework and employs a multi-tiered, service-based architecture. Using this technology and architecture, CGI Edge can easily accommodate the most demanding integration scenarios—branded portals, agency management systems, and comparative raters. The componentization and rule-driven design of CGI Edge gives a complete use of its functionality in any of these situations.

CGI Edge Workflow incorporates administrative tools and automated workflow to reduce manual handling and to promote a paperless work environment. It automatically processes the flow of information by integrating data, image and text into one system, thus providing real-time access to customer information. All policyholder’s Declarations and Billing Notices are automatically indexed to the policy for real time access via CGI Edge’s agent portal for easy distribution and re-accessibility. CGI Edge Workflow improves efficiency by electronically modeling and managing the business processes (workflows) so work, and all relevant information, can be automatically or

manually routed to the appropriate users, role users (jobs), and teams. CGI Edge Workflow has proven to be one of the cornerstones for helping our customers provide a distribution channel for a carrier's workforce. All users access their workqueue via the web for work that is assigned to them for processing.

CGI Edge enables agents to process business, including endorsement processing and self-service their accounts to provide superior service to customers. This advantage provides carriers with the ability to react quickly and effectively to customers. "With CGI Edge, Midwest Family Mutual (MFM) provides our agents a significant sales and service advantage that allows them to be much more effective and efficient at servicing their insured for all types of service transactions. This includes quotations, new business and endorsements for all personal and commercial lines of business. Agency and company employees collaborating on an identical platform is a huge efficiency and service advantage," said Ron Boyd, President and CEO, Midwest Family Mutual Insurance Company.

CGI Edge also provides agents with the ability to input first notice of loss directly via the web as the notice is being reported. This prevents any duplication of entry from the carrier side as well as provides more timely and accurate reporting. The claims specialist can then access the first notice of loss directly via the web for work assigned from the workqueue for additional processing.

MFM has embraced CGI Edge and utilized the system to its fullest potential. In business since 1891, MFM is a multi-line property and casualty insurance company headquartered in Plymouth, Minnesota. The company provides various Commercial and Personal Lines insurance products through approximately 500 independent insurance agents in the states of Illinois, Iowa, Minnesota, Nebraska, North Dakota, South Dakota and Wisconsin. MFM has been a CGI client since the early 1990's. Since MFM was very satisfied with CGI's predecessor software and support, it made the decision of where to look for a new system easy—CGI and CGI Edge.

In 2003, MFM began taking measures and embracing technology to begin rolling out a "work from home" program for its employees. MFM implemented CGI's workflow and imaging productivity tools, contracted with CGI's Document Management Services for outsourcing policy print and mail functions, implemented Citrix technology and installed Voice over Internet Protocol (VoIP) from 3Com to help accomplish the technology goals and finalize the vision of the "Virtual Office." By September 2006, all MFM employees, with the exception of two, worked from their homes. In April 2007, MFM sold their 24,000 square foot corporate headquarters in favor of more modest and energy efficient rental headquarters one-fifth of the size. The sale of the corporate headquarters was the final step in the "work from home" roll-out and created the "Virtual Office" completing the MFM energy efficiency "green" migration.

Since going live with CGI's systems in 2002, MFM has grown its revenue by almost 100% and surplus reserves by more than 270%. In addition to those staggering statistics, the following achievements have been met.

- Met goal and exceeded revenue per employee of \$1 million.
- Reduced expense ratio from 33.5% prior to migration to 25.9%.
- Increased written premium by 55%.
- Increased policyholder surplus 70%.
- Deployed employees to work from home environment allowing MFM to have employees in all 7 states in which the company writes business.
- Submitted by agents 100% of Personal Lines business.
- Reduced paper usage by 65%.
- Burned 25,000 fewer gallons of fuel per year by employees for work related commuting to/from work.

- Reduced annual electricity consumption by 155,000 KWH (63%).
- Reduced natural gas consumption by 5700 therms (76%).
- Sold 24,000 sq. ft. corporate headquarters and now lease 75% less space in a modest/energy efficient facility. The goal of the building sale was to realize the hidden value (surplus) in their real estate. MFM sold their 24,000 square foot office building and converted its sales value of \$2.6 million to liquid invested assets. Their investment income grew roughly \$80,000 as these after tax funds were invested in bonds. After taxes, their surplus gained \$1.5 million.
- Leveraged Citrix and VoIP so employees can be “in the office” at any time, from any location, throughout the United States. No more snow days.
- Improved policy and claims processing turnaround time to 10 days or less, vs. the industry standard of 30 days.

Midwest Family Mutual has been selected for a number of awards for their innovative thinking and is on the leading edge for the implementation of a “Virtual Office.” In 2008, MFM was recognized by research and consulting firm, Celent, as having a Model Carrier Component in the area of Infrastructure/Architecture. This recognition was made by Celent due to their implementation of technology projects. Later that year Midwest Family’s CEO, Ron Boyd, was selected as one of Insurance & Technology’s Tech-Savvy CEOs. Midwest Family Mutual was also named the winner of the 2008 Technology Achievement Award by IASA and The Ward Group. In addition, Ron Boyd was named by Insurance & Technology as one of its “Elite 8” winners for 2010.

In addition, employee satisfaction significantly increased as employees reduced the stress of dealing with work-related commuting and associated expenses. Employees are able to be home to get their children on and off the school bus, for example, and replaced some of the prior commute time with family time. One employee states that working from home has really helped establish a more balanced work and family life. In addition, employees feel a sense of pride and contribution to the environment by working for an organization that is environmentally responsible. Employee productivity also significantly increased as measured by software MFM installed to measure/manage employee productivity in the work from home environment. MFM sees that employees naturally move into a 24/7 on call and tend to put in extra hours that would normally have been spent commuting toward company related activity. Both the employer and employee benefit from the virtual office.

CGI Edge paves the way for insurance carriers to embrace technology and implement a “Virtual Office” so that they can experience the cost savings, environmental contributions and create a culture where employees are happier and have a better quality of life.