

# Reduce More Than Just Paper With **ePay**



# Achieving a Paperless Claims Process

## Automate Auto Casualty & Workers' Comp Claims through Electronic Payments



Technology continues to be on the forefront of executives minds in the auto casualty and workers' compensation industries. As the workforce transformation evolves, remote work, increased rates of retirement, younger individuals entering the workforce, inflation and supply chain issues, there are still many opportunities to enhance technology and improve efficiencies across the entire auto and workers' compensation insurance ecosystem.

Digitizing the claims process can provide a variety of benefits for payors, including boosting efficiencies, streamlining operations, integrating workflows, reducing paper costs, reducing fraud and allowing for adjusters and other claims handlers to focus on what matters most—helping restore claimants' lives after a challenging event.

When it comes to claims processing operations specifically, one immediate opportunity for payors is digitizing provider payments. Electronic provider payments can help claims organizations pay smarter, not harder to improve efficiencies, data quality and reduce operating expenses.

## Going Paperless in a Digital Economy

According to [Statista.com](https://www.statista.com), total transaction value in the Digital Payments segment is projected to reach US\$9.47T in 2023. Total transaction value is expected to show an annual growth rate (CAGR 2023-2027) of 11.79% resulting in a projected total amount of US\$14.79T by 2027.

This movement is not isolated to consumer markets—many companies are eliminating paper from their B2B transactions in favor of electronic, automated options like EFT transfers or virtual card payments. [Pymnts.com](https://www.pymnts.com) says some experts estimate that 40% of all B2B payments in the U.S. are still made via check, meaning they play a critical role for a large share of businesses. 81% of businesses still pay other firms via paper checks, making it the most common B2B payment method, even amid companies' pandemic-driven digitization efforts over the past few years. 73% of organizations are transitioning B2B checks to digital payments, according to a report from the [Association for Financial Professionals](https://www.aafp.org).

Trends in the digital economy have created an opportunity for the property and casualty industry to digitize its payment processes, which goes a long way in helping payors achieve increased automation, boosting efficiencies and controlling operating expenses, all while improving their data quality.

Many companies are eliminating paper from their B2B transactions in favor of electronic, automated options like EFT transfers or virtual card payments.

In 2022, only 40% percent of B2B payments were made by paper check, down from 81% in 2004.





As the economy continues its shift from paper to digital, the auto casualty and workers' compensation claims process is not far behind. According to our 2022 Workers' Compensation Technology Trends Report, Electronic Payments/Billing are one of the top technologies the workers' comp industry invested in throughout 2021.

This past year, professionals invested most in finding new ways to use technology to improve internal efficiencies. However, many companies continue to have untapped opportunities to increase automation.

## Electronic Provider Payments

As claims organizations look for ways to increase efficiencies, many are looking to add automation to their claims processes. Implementing paperless solutions, such as provider payment services, can help payors transition to automated tasks and improved efficiency, subsequently boosting data quality and helping payors to comply with current and future state regulations.

While not all providers are accepting payments electronically today, by adopting these solutions, payors are giving themselves the capability to process a good percentage of payments digitally. This will help reduce many manual processes from their workflows that could be both inefficient and ineffective.

**Implementing a paperless provider payment solution, can help payors significantly reduce costs, transition to automated tasks and improve efficiency.**

## Three Ways Paperless Solutions Can Improve Your Workflows

Achieving a paperless claims process is possible with the help of electronic payment solutions, which allow payors to remit payments electronically. Here are a few reasons payors should include electronic payment solutions into their workflow:

### 1 Simplify Administration and Automate Workflow Processes

Many adjusters today are required to manage a multitude of administrative duties in addition to their other responsibilities, for example, answering provider calls about payment status, which often hinders them from focusing on their core duties of managing claims. Taking steps toward eliminating paper from the claims process and digitizing payments opens carriers up to the possibility of automating more of those administrative tasks, which in turn allows adjusters to focus specifically on processing claims and helping restore the lives of their injured individuals after an unforeseen event.

### 2 Significantly Reduce Operating Costs

On average, paying a claim via paper costs a claims organization \$8 per check. An electronic payment solution can reduce that amount by 60% or more. Handling paper is expensive, and in addition to the hard costs associated with it, it also creates timeliness and accuracy issues. Switching out manual, paper processes in favor of electronic payments can make a claims operation much more efficient and effective.

### 3 Maintain Compliance With State Regulations

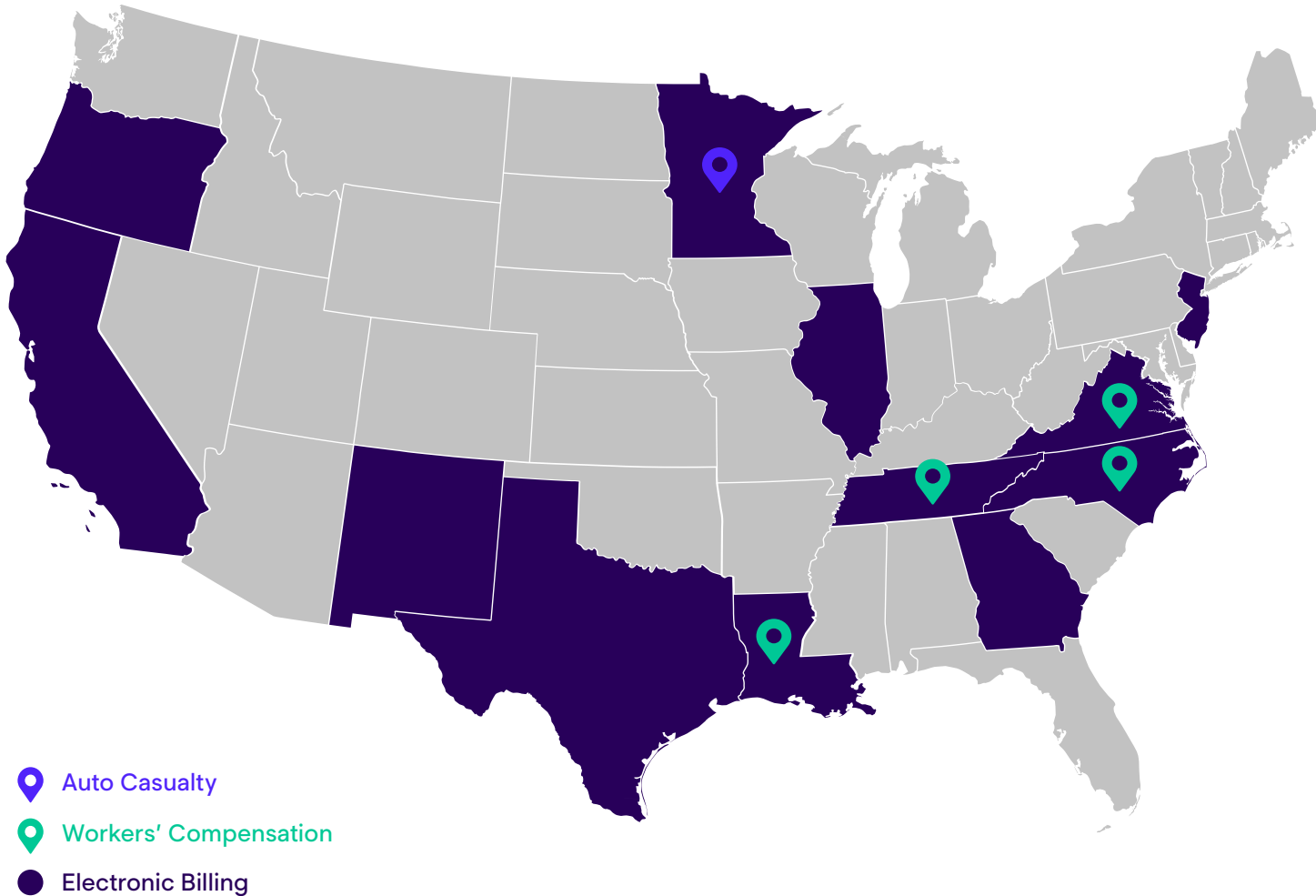
Multiple states have mandated that property and casualty insurance payors can send electronic payments, and others across the country are considering similar regulations as a strategy to automate workflow processes. By implementing an electronic payment system into your casualty claims workflow now, you can assure you will be in compliance ahead of time, so you aren't scrambling when a state passes regulations mandating electronic payment and electronic remittance information. Though historically, state mandates on ePayments have not necessarily "moved the needle" on electronic penetration, the groundwork has been set which is now allowing payors to marry the regulatory compliance with operational needs.



**60%**  
or more

According to Mitchell data, customers that have implemented an electronic payment solution successfully **reduced operational costs associated with payments by 60% or more.**

We have outlined a map of states that currently require electronic payments.



### Minnesota

**Electronic Remittance Advice**  
Required

**Electronic Payment Regulation**  
Required if Requested by Provider

### Virginia

**Electronic Remittance Advice**  
Required

**Electronic Payment Regulation**  
ePayment Required if Provider  
Bills Electronically

### Louisiana

**Electronic Remittance Advice**  
Upon Mutual Agreement

**Electronic Payment Regulation**  
Providers Must Accept if Payor Sends

### Tennessee

**Electronic Remittance Advice**  
Required

**Electronic Payment Regulation**  
ePayment Required if Provider  
Bills Electronically

### North Carolina

**Electronic Remittance Advice**  
Required

**Electronic Payment Regulation**  
Required if Requested by Provider

## The Future Digitization of the Property and Casualty Claims Process

As the workers' compensation and auto casualty industries continue to put additional focus on automation and efficiency, there is no question that technology will continue to play a bigger role in the claims process. From advancements in artificial intelligence and telematics to an increased usage of chatbots, the industry will continue to make progress digitally in the foreseeable future. Electronic payments, while one piece of the puzzle, can help claims organizations to improve digitization and begin to achieve their goals of creating an end-to-end digital process—helping to boost automation and efficiency thereby allowing adjusters to focus on restoring lives.

**Are you considering implementing a payment program? Download Enlyte's FREE GUIDE to evaluating electronic payment vendors.**

[Download Now](#)







Enlyte is Mitchell, Genex and Coventry, a family of businesses with one shared vision. We bring together the best of the P&C industry in a single, powerful organization connected by one overarching goal: transforming your performance now, so you can chart a course **to a better future.**

Learn more about Enlyte.

---

Call [866.389.2069](tel:866.389.2069) Email [hello@enlyte.com](mailto:hello@enlyte.com) Visit [mitchell.com/solutions/casualty/epay](https://mitchell.com/solutions/casualty/epay)