

Special Edition Issue

31 May 2024

Innovation!



The Story of

Dial-A-Claim Central

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FORWARD FROM THE WRITER

When I heard that a history of ICBC was being written, I knew I had to contribute something from my time with the Corporation.

I was in the private insurance world when ICBC came into being. It became clear that my employer would leave the Province and I would have to move as well. Other locations were Calgary or Toronto. I did not want to leave Beautiful BC.

I joined the fledgling ICBC in February 1974 as a claims adjuster.

During my initial time, I was promoted to senior adjuster and then Claims Unit Manager. I wanted to become a Claim Centre manager but that usually required a move to small rural BC claim office in. I had a young family and that did not appeal.

I applied to be the manager of Dial-A-Claim as it was an alternate path to becoming a claim centre manager without leaving town. Little did I know what a wonderful and unique opportunity it would be. I knew nothing of managing a Call Centre but knew it would be a learning opportunity. My time there was only 3 years, but I learned a great deal about this unique facet of ICBC. There was nothing else like it in Canada at the time.

With help from many, I have tried to trace the history of DACC from a concept to reality. Invaluable help was provided from Patti Dunn, Bill Philip, Marj Bowen, Guenter Raedler, Yvonne Langevin, Angela McIldoon, Steve Hankinson, Terry Isaac, Terry Condon and my editor, Nesta Primeau.

Nick de Domenico has been patient and supportive of my efforts on the DAAC chapter. It has been a walk back in time for me as ICBC is celebrating 50 years.

Dial-A-Claim, is just 44 years old. Hope you enjoy these chapters.

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THE DIAL-A-CLAIM CENTRAL INNOVATION

Chapter One: The Revolution

Prior to ICBC becoming the sole auto insurer in B.C., when you had a claim, you contacted your insurance agent, and they would make the report to your insurer. The insurer would assign a staff adjuster or independent adjuster to contact the insured to proceed with the claim.

With the advent of ICBC, the claims' reporting method changed to a visit to your local Claim Centre. The Claim Centres were built in each city in the province and in rural B.C. The process was simple, when the insured wanted to report a claim, they came to the claim centre with their vehicle and were directed into the drive-in tube where they were seen by the next available adjuster and estimator.

A PERILOUS ADVENTURE

The number of customers coming to the Centres especially on a Monday, was more than anticipated which resulted in long lineups of vehicles on to the roadways. It was

often a long wait for the insureds in their vehicles, sometimes 2 hours or longer. As part of the daily routine, a supervisor would walk the line at three o'clock every afternoon. Their job was to drop a red cone behind the last car that could be seen that day. And to speak to each of the other, waiting customers to tell them to come back another day. There may have been 10 to 20 cars that were turned away. I did that job on many occasions. Suffice to say I learned how to swear in ten languages!

The appointment by phone then was born out of necessity. In some remote claim offices customers had to drive long distances to report a claim. These offices made their own appointments over the phone for their customers to attend.

THE STRIKE THAT STARTED IT ALL

Following the strike in 1975 that lasted 3 months, the District Claims Managers knew there was a huge backlog of claims that needed to be reported and handled as efficiently as possible. So, a solution was looked for to best deal with the huge number of claims to be reported.

Also, the Government exerted a lot of pressure both directly and indirectly as they were getting complaints from the voting

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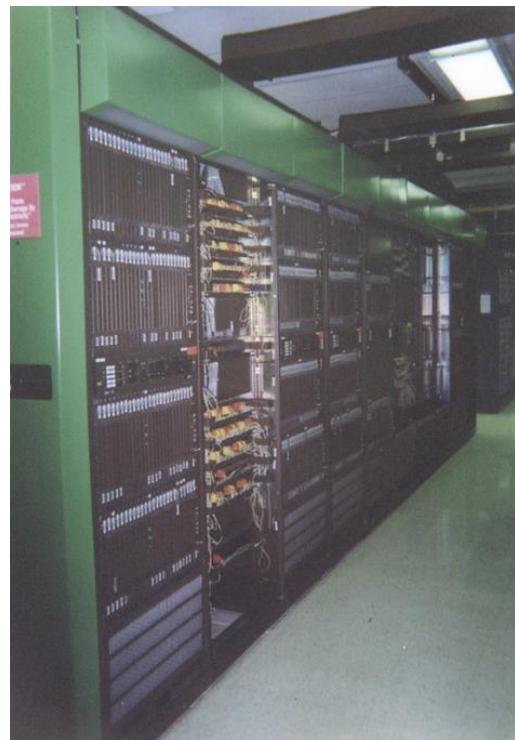
public. The threat of privatization was on the table. A new system had to be developed.

A menu driven appointment system was required but no such on-the-shelf software existed that could meet ICBC's unique situation. The search was on. Eventually, a fledgling Vancouver based company called *Ticketmaster* and owned by three gentlemen turned up. It was determined that the software they used to sell tickets for concert and sports events might be the answer.

When approached, the owners of *Ticketmaster* were willing to participate but there was one small hitch. The system required custom terminals to retrieve the bookings for each day. So, a 'Ticketmaster terminal' was set up in each claim centre to book appointments to handle the strike backlog. This worked well to catch up quickly from the backlog of claims from the strike. While this system did work, ICBC management realized that a more sophisticated appointment method was needed.

Approval was required at the senior management level to develop and open a dedicated Call Centre for claims reporting. There was dissention amongst the group. When the vote came amongst senior executives, it was tied. Robbie Sherell, the Corporation's president at the time cast the deciding vote to proceed. Part of the issue

was the cost of the first ever digital telephone switch, a Northern Telecom SL1 (Stored Logic) was required to handle the 65 trunk lines. The cost was \$1,000,000.



(Northern Telecom SL1)

The Vice President of Claims at that time was Sandy Pearson. He directed Systems Manager Guenter Raedler to examine innovative business alternatives. Guenter was supported in this endeavour by John Hancock who was Manager Claims Policy at the time. This initiative was to bring about the first Call Centre in Western Canada. Guenter Raedler, assisted by Ed Cochno did the systems design. Colin Brown was sent to the UK to look at similar systems there. Terry

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Condon was the Project Manager and was assisted by George Scur. Gerry Cox was its first operational manager.

Terry set a criterion for staffing. Anticipating that there would be surges and slack periods, part time staff who lived within a 20 mile radius turned out to be ideal. Given that the Call Centre would be receiving claims reports from windshields to fatal accidents, it was important that the people answering the phones would be emotionally strong, patient, and come with strong problem solving skills. Women with young children recently entering the school system and who were wanting to get back into the workforce turned out to be an ideal source. Given the various ethnic groups that make up our Province, language skills were also important.

Initially the workspace was set up as groups of four desks in the form of a cross sharing one CRT mounted on a rotating tray. There were about 25 of these quads. More CRTs and staff followed. The ICBC Telephone Rep would assign a claim number, adjuster and estimator appointments and record a brief outline of the initial report. The Claims Centres would printout the CL75 Claims Registration Form and set up the physical folder and, on arrival of the claimants, direct them to interview booths adjacent to the estimating tube.

The working name for this new appointment system was Central Reporting Office. And for a while it was known by the acronym CRO but the sound of those three letters wasn't acceptable --- 'the CRO didn't fly'. Eventually the name Dial-A-Claim Central was decided on.

In 1978, a trial run was completed in Prince George, and with its the success, the model was rolled out to all claim offices.

Dial-a-Claim Central was undoubtedly the most visually dramatic and innovative development in the Corporation in 1982.



(Photo from the 1982 ICBC 10th Annual Report)

Within its New Westminster headquarters, dozens of specially trained telephone claim representatives worked with some of the most advanced electronic equipment available to simplify the reporting process and provide much improved service to B.C. motorists.

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(Photo from Google)

EXCERPT FROM ICBC'S ANNUAL REPORT 1982:

Dial-A-Claim Central operates through a sophisticated automatic call distribution system, with 65 trunk lines that enable incoming calls to reach the claim representative direct, without passing through a switchboard Dial operator. The facility also monitors the number of calls recorded, the number on 'hold' and the average time a call has waited— usually less than 15 seconds. Dial-A-Claim Central has capacity to process 2,000 calls a day, and frequently handles a number close to that maximum.

Linked with the Corporations mainframe computer, the system enables operators, through computer terminals, to verify coverage and other information instantly. It also enables details of an accident report to be electronically recorded and transmitted to the centre where the claim will be investigated and settled. When the report

has been recorded, the claim representative schedules an appointment at convenient time between the claimant and an adjuster and/or estimator at the Claim Centre.

As a result of the implementation of Dial-A-Claim Central in the Lower Mainland and in Greater Victoria, waiting time at Claims Centres has virtually been eliminated, clerical work has been reduced, productivity has been increased and claim service greatly improved.

In 1987, a decision was made to vacate the New Westminster Claim Centre location for a new venue in uptown New West. DACC was relocated to the top floor of the Belmont Tower at 6th & 6th street.

To ensure no service interruption would happen during the physical move, a decision was made to keep the original location functional on a scaled down level. A new SL-1 telephone switchboard was installed at the Belmont location. It was the very switch that was used at EXPO 86. The move went flawlessly with no service interruptions.

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LEADING IN INNOVATION

The design and implementation of Dial-A-Claim was revolutionary. Nothing like it existed in Canada especially in the insurance world. Many tours were given to visitors from around the world who had heard of this amazing Call Centre.

The following was an article from the ICBC People newsletter August 1987:

“DIAL-A-CLAIM SETS AN EXAMPLE”

‘Federal officials are likely to come around asking a lot of questions when someone has done something wrong. But Dial-A-Claim was recently under investigation for doing things right.

The federal department of Employment and Immigration wanted to know everything about Dial-A-Claim that might help them avoid problems with their new Centralized Telephone Enquiries Unit (CTU).

Using the same Northern Telecom SL1 phone system that operates at Dial-A-Claim, the government department is providing Un-employment insurance claimants with fast telephone access to information. Metro Vancouver has been selected as the location for the CTU as a national pilot project. The unit has handled 67,000 enquiries in its first month of operation. Doug Kinton and his employees at Dial-A-Claim shared their

knowledge and experience with Employment and Immigration Canada prior to the opening of the official facility.

“When Bill Ross, District Manager for Employment and Immigration Canada, spoke at the opening, he said that ICBC had saved him years of heartache and grief” comments Doug. “Since they have exactly the same telephone system, there were many ways we could help them”. The government representatives wanted to know about the ability of the system to monitor frequency and length of calls to each operator, and the kinds of computer reports that can be generated for regular evaluation. They were also interested in shift scheduling, staffing requirements and operator training. In addition, the office layout, lighting and equipment were explained.

Representatives from Manitoba Public Insurance Corporation have also been studying our state-of-art telephone claims handling operation.

The advanced technology of Dial-A-Claim and its comparatively long history of operation make it an ideal model for organizations needing to handle large volumes of telephone enquiries.

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It's kind of nice to be thought of as "the best around".

Chapter Two: The Evolution

In the late 1980's it became clear that British Columbia was experiencing a significant growth not just in population, but in automobiles and claims as well with no end in sight. This resulted in the need to build significantly more Claim Centres. But In 1988, word had come down from Victoria that ICBC had to cut operating costs. The Claims division was the biggest contributor to these costs. With over 50 claim office locations through the Province. The majority of ICBC staff were members of that group.

Neil Weatherston, Vice President of Claims at the time, initiated a plan to innovate the claims process using business re-engineering methods. Doug Downing was tasked with creating what was internally designated as the *Alpha Group*. In the spirit of innovation every possible option was explored. That included an expansive future for Dial-A- Claim Central. *Alpha* capitalized on the strategic value of the Call Centre by expanding its role in the claims handling process.

Bill Goble tasked Doug Downing, Cathy Christopher and Steve Hankinson with developing the claims handling expansion plan for DACC. A decision was made to explore the Corporation's ability to adjust as many claims as possible via the telephone. Work was then started on what became known as the Telephone Claims Handling project (TCH).

The early plan was to have the DACC operators upgrade their skills and knowledge. They became not only the point of contact for reporting claims but actually adjusted them and guided the insured to the next step of obtaining vehicle repair estimates.

There was dissention however within the senior claims manager group. The implementation of handling claims by telephone would significantly reduce claims staffing levels and the promotional path for Claim Centre Managers. The MCO's (Manager Claims Operations formerly DCM's District Claims Managers) saw this migration of claims handling from the Centers to DACC as a diminishment of their status. Lower-level management promotions began with D Centres (the smallest), then progressed to Levels C B and finally A. Most Claim Centres in the Lower Mainland were A level, this meant that promotional opportunities within the Lower Mainland would also be

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diminished as the Call Centre replaced Claims Centers.

Project sponsors were selected from both Head Office, namely Jack Hunter, and Field staff, namely Doug Downing and Barry Ringham. Doug Downing was the driving force as he saw that handling claims via telephone was the future. Also, this would not have become a reality if not for the support of Sandy Pearson, Claims VP.

THE PLAN

The plan was developed in 1990. Design and implementation of Telephone Claims Handling was set to unfold in four phases. This would occur after running a six-month pilot at the DACC location in New Westminster in 1991.

For the pilot, it was stipulated that only claims where liability was clear, investigation required was basic, and the circumstances were non-suspicious would be handled in this manner.

Following the success of the pilot, plans for full implementation were developed. It was anticipated that by the middle of 1993, more complex claims could be handled as well as those requiring a repair estimate. This could result in up to 50% of all reported claims being handled by TCH.

PHASE 1

Staff were recruited from DACC and the Lower Mainland Claim Centres. Phase 1 began in middle of 1992. Claims that were retained by the TCH staff included theft from vehicle, vandalism, and vehicle crash claims without dispute around liability and without injuries.

PHASE 2

Handling claims by phone was then expanded to include more complex types where liability was in dispute, or there were suspicious circumstances, or where considerable investigation was necessary.

In August 1992, a physical move was made from the New Westminster location to the Guildford Corporate Centre on 152nd Street in Surrey. This involved moving the telephone switch to the new location overnight. At 3:00 am Saturday morning, Angela McIldoon and Steve Hankinson 'shepherded' moving the switch to Guildford.

TCH was always open on Saturdays for the reporting of new claims. So, to ensure continued claims reporting service, all calls to TCH were redirected to ICBC North Van head office for that Saturday. The TCH staff reported to this location to handle new claims. This redirecting of the calls to North

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Van, a suggestion made by Steve Hankinson, had never been done before.

On the next Monday at 6:00 am, TCH was open for business at their new location. All went well until 10:15 am when the call centre suddenly went totally quiet. Due to an issue with TELUS, the calls were now being routed to a lady's home on Vancouver Island! Within an hour, the problem was corrected, and business returned to normal.

It was expected that full implementation of Phase 2 would result in well over 50% of all claims now being handled by TCH. Damage estimates to insured vehicles were carried out by an *Express Estimate Appointment* at a Claim Centre of the customers choosing.

PHASE 3

Further expansion of claim types to be handled by TCH would include policy breaches, accident benefits and death benefits. Before long, TCH was handling more than 85% of all claims being reported.

As the success became clear, many of these *Claim Contact Centres* were opening province-wide to more efficiently handle claims by telephone. Major legislative changes came on 1 April 2019 with the expansion of the Accident Benefits portion of

an insurance policy and the virtual elimination lawsuits for bodily injury claims.

Bodily Injury Adjusters became *Recovery Adjusters* assisting the customer with benefits available under the expanded accident benefits portion of the policy.

THE COVID PHASE

The global pandemic that started in Canada in January 2020 brought further changes to ICBC. Many adjusters were now working from home. In time, almost all claims were handled via the telephone and the need for Claim Centres diminished further. Many were closed and sold. Of all the original Claim Centres, only four remain today. Estimating of vehicle damage is now written by ICBC approved body shops and approved online by ICBC staff estimators that could be located anywhere in the Province. Heavy equipment estimates are still done by ICBC staff Estimators.

THE WAY IT IS TODAY

The way claims were handled when ICBC opened in 1974 compared to today reveals a remarkable change. The Call Centre technology was a game changer right from the very start. It has won many international awards for service quality and staff satisfaction.

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In the beginning, all claims had to be reported in person at a claim centre and with no appointment. Today, all claims are handled by telephone with rare in-person contact with the insured or claimants. With the previous arrangement, an insured drove his vehicle to a Claims Centre for an estimate of damage. Today, the insured is directed to attend an autobody repair shop. The shop generates an estimate which is then submitted online to ICBC for review and approval by an ICBC Estimator. The Estimator completing the review could be located anywhere in the province.

In the beginning, it was known as DACC, Dial-a-Claim Central. With the different phases of implementation of handling claims by telephone, the name changed to TCH, followed by TCD, Telephone Claims Department and finally, CCC, Claims Contact Centre. Calls to the CCC are first directed to the *First Notification of Loss* team. If more work is necessary such as statements or videos, it goes to the CCAT group, Claims Contact Assessment Team. There are CCCs all across the Province. If staff are busy at one CCC, the call is automatically redirected to the next available CCC to be handled.



(The Claim Centre drive in entrance as it was originally designed and used. Doug Kinton photos)

The Centre in Langley (photos above) was officially closed in the fall of 2023. Any remaining staff were relocated to the Claim Centre in Guildford.

And now, an insured has choice of reporting their claim online or phoning --- and they can upload receipts and other documents to the claim file.

Who knew!! The end of an era indeed.