

AMERIND Risk Delivers on Its Mission: “Tribes Protecting Tribes”

A Truly Unique Insurer Offers Improved Service, Streamlines Processes, and Fuels Growth with Guidewire InsuranceNow

CASE STUDY



“InsuranceNow has definitely helped prepare AMERIND to grow. In the last five years, our book of business has increased over 70%. As we look forward to AMERIND’s continued growth, we feel that InsuranceNow and Guidewire have definitely prepared us to process and support the larger lines of business that we’re now able to bring into our product line.”

– Derek Valdo, Chief Executive Officer, AMERIND Risk

According to AMERIND Risk’s mission statement, the company serves a singular yet vital role: “Tribes Protecting Tribes.” Operating in 36 states across the United States, AMERIND provides Employee Benefits, Property, Liability, and Workers’ Compensation insurance to more than 400 Native American tribes. It is the only 100% tribally owned and operated insurance provider committed to Indian Country. As the company expands, it is relying on Guidewire InsuranceNow™ to empower growth, better serve customers, and streamline processes to help fulfill this critical mission.

“Our special mission is contained in our logo. It’s ‘Tribes Protecting Tribes.’ And that’s what we are about,” says Ken Black, AMERIND Risk’s Chief Operations Officer. He was a key part of the team that evaluated and ultimately selected InsuranceNow to replace AMERIND’s aging legacy systems. “We are a consortium of tribes. Our ownership is tribes, our employees are predominantly tribal members, and our purpose and vision is to protect tribes from unforeseen events.”

A Unique Business Presents Unique Challenges

Headquartered in the expansive landscapes of the Santa Ana Pueblo, New Mexico, AMERIND has been providing insurance coverage to its constituents of tribes, tribal governments, tribal businesses, and individuals for more than 33 years. Along with its mission, this unique relationship between AMERIND and its customers (who are ultimately also owners) creates a real sense of community between AMERIND staff members and the tribes they serve. This close relationship that AMERIND shares with the community demands a high level of service while still maintaining effective cost controls and scalability.

Speaking about this unique sense of community, Black explains that “AMERIND does have a very close relationship with our customers, and they’re owners as well. What we’re trying to do is make the insurance product as affordable as possible. One of the key ways of doing that is to keep expenses down. Efficiency in underwriting and claims processing enables us to do that—and do it well.” The unique nature of AMERIND’s business also creates interesting challenges when serving customers due to the structure of policies. “We have a unique book of business,” says Chief Executive Officer Derek Valdo. “We have clients that have multiple risks, and when we say ‘multiple’ we mean thousands of scheduled units. Having to write an endorsement that applies to all 7,000 of the scheduled units



AMERIND Risk
Tribes Protecting Tribes

Headquarters

Santa Ana Pueblo, New Mexico

Operations

U.S only

Business Lines

Commercial Property, Liability,
Workers’ Compensation

Website

www.amerindrisk.org

Product

Guidewire InsuranceNow™

Benefits

- Implemented InsuranceNow to replace legacy system in less than 12 months
- Grew book of business by 70%
- Expanded coverage options for policyholders
- Increased underwriting and claims efficiency
- Re-allocated IT resources from system maintenance to focus on growing the business

was very labor intensive. In our business, we need to be sure that every policy is adequately journaled and documented so that it protects both the insured and the insurance company.”

A Change Was Needed

In 2013 AMERIND began an extensive search to replace its legacy core systems. The company had already grown from one line of business to seven. It was clear that to sustain that and fuel more growth, a new system was needed. When discussing some of the key reasons AMERIND chose to replace its legacy system, Ken Black notes, “When I came onboard about five years ago, one of the first issues that I saw was a legacy system that had been home built and home grown. The existing system was suited well for the single line of business that AMERIND had written about a dozen years ago. Since then, the company had expanded into multiple lines and the old system wasn’t able to expand with the growth of the business. In addition to that, we wanted to update our forms and the system was very cumbersome. It was very expensive to maintain, so we elected to search for a new system.”

Having a system that was not designed for expansion during a time of rapid growth was a major challenge. To add to that frustration, the system was very expensive to maintain and required significant investments from AMERIND just to keep it running. “The vast majority of our budget was spent on IT, personnel, and the programming that was associated with maintaining the old system,” Black continues. “I can remember that we had a backlog of IT requests that had to be reviewed every month. Since then, we’re down to just a few IT people; we don’t do the programming on it at all. We’ve changed over to where we’re now much more under product management, which is where we should be involved.”

Guidewire Partnership

After a thorough search of the core system market for a solution that would specifically address their issues while allowing them to scale their business, the selection team at AMERIND Risk chose Guidewire InsuranceNow. An all-in-one solution that included core policy, billing, and claims capabilities, cloud delivery, and easily configurable design was a key factor in the decision. As Black explains, “We had several criteria in mind when we began to look for a system. We wanted to use newer technology. We wanted to use something that was cloud-based. We wanted to use something that was readily adaptable to expanding lines and highly configurable. We were looking for an end-to-end system that would basically take a quote all the way from submission through the claim process and even link up to our accounting and reinsurance systems.”

AMERIND also gave weight to the opinions and recommendations of peers and colleagues in the industry who had gone through this process before. Commenting on the decision to select InsuranceNow, Derek Valdo explains, “Some of the factors that led us to selecting InsuranceNow was the web-based capabilities and the niche that it serves. Similar to AMERIND Risk, many of our peers of our size and product mix used InsuranceNow and Guidewire.”

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AMERIND Risk

Rapid Implementation Regardless of Complexity

Working with the Guidewire Guided Approach to implementation, AMERIND chose to initially roll out its Homeowners and Renters products, which were implemented in 12 months. Those initial products have been in operation since mid-2016. “We’ve been operating a little over a year and a half now. And as we move approximately 15,000 insureds onto that platform, we’re starting to see efficiencies,” Valdo says. For the second phase of its implementation, AMERIND configured InsuranceNow to operate its more complex commercial products. Currently, AMERIND is beginning to implement its final portfolio of products: the Indian Housing Block Program. According to Valdo, “We’re moving

roughly 204 policies that have a little over 65,000 individual independent structures linked to them. And so we're excited that InsuranceNow has actually improved our efficiency. In the old system we'd have to pull data down, upload it into the system, check it, dump the data back out, and issue a quote. InsuranceNow basically ties us end-to-end from the underwriting side to the claims side to the finance side, so we're pretty excited."

Realizing Potential

The benefits AMERIND is realizing with InsuranceNow are multi-faceted. The added automation capabilities of a modern core system have increased the company's efficiency and capacity to process business. "AMERIND is in a growth mode right now," says Black, "and we're looking to add some new products early this year. We want to add an Auto line. But in addition to what we're doing, we're actually growing our base book of business as well. As we continue to do that, we look for InsuranceNow to provide those efficiencies."

These efficiencies have led to both an increase in customer satisfaction and an increase in the business's scalability and growth potential. According to Randy Greigo, a Commercial Underwriter with AMERIND and a key team member during the InsuranceNow implementation, "Going into 2018, we've started to offer optional coverages—coverages that our membership used to ask for in the past but that we were never able to write or cover. So, they would go out to the traditional market and have package policies with other insurers. InsuranceNow makes our company a one-stop shop. I can now offer those coverages in one complete Commercial package with AMERIND."

Additionally, with a cloud-based system AMERIND has seen improvements in the efficiency of its remote offices that now have easy, anywhere access to InsuranceNow. AMERIND's IT department has also seen a shift of priorities. No longer saddled with the burden of constant system maintenance, AMERIND's IT staff is free to focus on more valuable and strategic initiatives, such as enabling the company to expand into new lines and new coverages.

With a focus on growing the product and service portfolio that AMERIND has available to its constituents, and with Guidewire InsuranceNow enabling that vision, AMERIND Risk has never been better suited to continue to deliver on its promise of "Tribes Protecting Tribes."

About Guidewire Software

Guidewire delivers the industry platform that Property and Casualty (P&C) insurers rely upon to adapt and succeed in a time of accelerating change. We provide the software, services, and partner ecosystem to enable our customers to run, differentiate, and grow their business. We are privileged to serve more than 350 companies in 32 countries. For more information, please visit www.guidewire.com and follow us on twitter: [@Guidewire_PandC](https://twitter.com/Guidewire_PandC).