

# PetSure

MANAGING 32,000 CLAIMS PER MONTH WITH HELP FROM UPM.



PetSure is Australia’s leading wholesale provider of pet insurance products. It is also one of this nation’s busiest insurance Administrators and Underwriting Agents. Although the name may not be immediately recognisable to consumers, PetSure is the company behind the pet insurance offerings marketed by well-known organisations including Woolworths, Medibank Private and Pet Insurance Australia.

## AUSTRALIANS LOVE THEIR PETS

According to the Animal Health Alliance’s study, Pet Ownership In Australia 2013, Australia’s pet population is estimated to be of 7.1 million. With nearly five million households home to pets, Australia has one of the highest rates of pet ownership in the world. The study estimates that pet owners spend around \$1.7 billion on veterinary services each year, and notes that insurance is growing in popularity.

## PET INSURANCE IS DIFFERENT

While pet insurance is classified as ‘general insurance’, PetSure’s offerings operate under a very different model compared to other types of general insurance such as private health, workers compensation or property insurance. PetSure CEO, Alexandra Thomas explains, “Our products are designed to be relevant and are created on the basis that they will be used. PetSure’s customers are responsible pet owners and we know whenever we introduce a new product those responsible pet owners will be making claims.”

## A SYSTEM TO SUPPORT AUTO-ASSESSMENT

Three years ago PetSure embarked upon a major software deployment, replacing its old and limited business software system with UPM, a comprehensive suite of software designed especially for insurance underwriters

by Gratex, a global specialist in insurance and finance business systems. With modules addressing [claims and payment processing](#), [pricing and quotations](#), [policy management and administration](#), and [customer relationship management](#), UPM offered a foundation for almost every customer-facing area of PetSure’s business.

*“We selected UPM because we needed a scalable solution, something that could handle the sheer volume of claims we receive. Secondly, we wanted an intelligent system, one that could be configured to apply definite rules and that would support a specific taxonomy about diagnosis and treatment codes, to help us to partly auto-assess claims,”*

[Thomas says.](#)

One of the things that sets PetSure apart from its competitors is the company’s insistence on using qualified vets and vet nurses to professionally assess each claim. To maintain such a high level of service without incurring processing time penalties while still ensuring accuracy, the company needed a rules-based solution that would enable it to automate components of the claims process.

The application of rules would also help to minimise problems such as leakage occurring due to duplicate claims or invoices.

## BUILDING A BASIS FOR DIFFERENTIATION

“We saw UPM as a way of building a basis for differentiation,” Thomas says. “For us, that meant creating a deep knowledge around our underwriting performance, our customers and their pets. For a company such as ours, which has built a reputation for being a great wholesaler, having really good information around our claims allows us to obtain detailed insight into information about where our pets are being treated, what for, and their diagnoses.”

The deployment was a huge undertaking, involving PetSure and GrateX staff. As with any major software implementation, not everything went smoothly but Thomas says, “What was good was that GrateX were here to sort issues out. They worked long hours to make things right.” She also notes that impressively, the migration of data from the old system to UPM was carried out over the course of a single weekend.

## PRODUCTIVITY IMPROVEMENTS

In the last three years [PetSure’s customer base has grown 600 per cent](#). Today, the company receives up to [32,000 claims every month](#), making PetSure Australia’s largest underwriter, responsible for an estimated eight per cent of all insurance claims.

Despite the increase in volume, handling time for claims is a maximum of five days while the average time to process and pay a claim is two-and-one-half days. This is an obvious point



of pride for Thomas and PetSure’s claims team of just 35 staff, as many of their competitors require up to 21 days processing time. [Moreover, thanks to the productivity improvements brought by UPM](#), Thomas says, “Our operating expense to operating revenue has stayed the same.”

PetSure CIO, Claudio Gorojovsky, agrees saying, “There have definitely been gains in productivity. Part of this comes down to greater process accuracy in the sense that a claim or a particular customer issue is always managed in a certain way. This consistency increases our capacity to manage the workload.” He also notes that with more consistent and accurate information, leakage has been reduced and analysis has improved. “The system makes it simple for us to analyse and better understand the business.”

## GROWTH THROUGH ENHANCED COMPLIANCE

Thomas believes that the scale of recent growth would not have been possible under the organisation’s previous information system. “Our growth comes from partnering with iconic brands. The old software would not have allowed us to scale to meet these brands’ rigorous governance and regulatory requirements”, she says.

“When you undergo a big system change such as we did, it is a high risk and very intense project. While there were teething issues, what I’ve observed about GrateX through this process is a very strong desire at every tier, with every person we’ve dealt with, to be accommodating, to be flexible and to really work with us on anything that’s important to the PetSure business. We’ve found GrateX to be very responsive and adaptable”, Thomas concludes.

## CONTACT

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GrateX was awarded Innovation of the Year at the 2014 Australian Insurance Awards for their UPM implementation with PetSure.