Minnesota FAIR Plan

A Study in Collaborative Value

A Conversation with the Minnesota FAIR Plan

A good way to gauge your success is to talk with your customers. A better way is to have a third party talk to your customers. We asked O'Brien Communications Group (OCG) to talk with Gary Rupp, Executive Director of the Minnesota FAIR Plan, and to record the conversation. The following Q&A has been edited for brevity and clarity:

OCG: We believe the best stories tell themselves. Can you tell us your story about how the Finys relationship came about?

Gary: Sure. The contract with our previous vendor was expiring at the end of October of 2018. We'd already gotten a six-month extension. We didn't want to extend again. So, we had to get a new system up and running quickly. Knowing the end was coming, we'd issued an RFP in late July or early August of 2017 with the hope of having a new system by end of May 2018. But I had a phone conversation with Scott Hinz and Kurt Diederich in which they told me they'd respond to the RFP, but the timeline was unrealistic. That sort of set the tone for the nature of the relationship.

OCG: Meaning you appreciated their honesty?

Gary: Yes. We ended up going to contract with Finys in late October or early November of 2017. And they had the system up and running in 12 months, which timed perfectly with the end of our contract with the previous vendor. At the time, that struck me as miraculous because most people who had recently installed a new system told me there was no way

we'd get there in 12 months. If we hadn't gotten there, we'd have been in a very difficult position.

OCG: It seems as if you might have teed up a pretty stressful year.

Gary: As it turned out, not as much as we anticipated. Amanda Call and Martin James from Finys were assigned the project. They came for a three- or four-day on-site visit in the last week of November 2017 to start defining specifications for the implementation.

OCG: Did you, or did they, have any help in that effort?

Gary: As we were working through contracting, Kurt mentioned Marias Technology, an Ohio-based company they'd begun working with. He suggested we contact Marias to help us define our specs and to be an internal resource for other aspects of the implementation. I'm not an IT person by any stretch of the imagination. So, I had no idea what we were getting into with the new system.

OCG: Were you reluctant to engage another party?

Gary: No. I was curious, and I knew we needed the help. I called Chris Haines at Marias sometime in November. I liked what he said. And we came to an initial agreement in November.

OCG: Why do you say initial agreement?

Gary: At the outset, Marias was simply going to help us with getting our rates into the new system and bill us for their time. There were no minimum commitments or required payments or anything like that. But when I found out from our Underwriting Manager and Consulting Actuary that it would also be in our best interests to review and redefine aspects of our rating manuals, Marias stepped up and stepped in.

OCG: Marias sounds like a mechanic called in to replace spark plugs, only to discover the head gasket's gone and the valves are shot.

Gary: We agreed to expand the role Marias was playing. We had them go in, manually, reviewing variable by variable, to define coverage amounts and document the rates to create updated rating manuals we then gave to Finys. Even though that ran the risk of compromising our timeline, Marias applied itself and completed the project in a timely fashion. We never could have done that ourselves. And Marias became part of the value Finys contributed to the project.

OCG: Was the engine running as smoothly as it needed to at that point?

Gary: Not quite. After Chris saw what we were up against, he called me one day and said, "Listen, it's your call. We're fine doing the rate manuals if that's all you want. But we can do a lot more for you than what we're doing now." So, they ended up documenting all the requirements from our old system, mapping them so Finys could use them for the implementation of the new system, and documenting everything.

OCG: What kind of requirements are we talking about?

Gary: Things like this many days before cancellation, this notice is sent and those kinds of transactional details. And in consideration of our staff members, we didn't want to make a lot of changes to our workflows and timing. In that regard, Marias was able to help us more than we imagined anyone could. In fact, they've kind of become our IT department. Rachel and Stephanie from the Marias staff manage all the Finys service tickets and join us on all our calls with Finys. As they test the software, they create and submit service tickets of their own. And after Finys makes the fixes, they test again before the changes go into production.

I actually wish more FAIR Plans would sign with both companies. I might not have any business saying that. But we have a FAIR Plan User Group that's met with Finys a few times. I think the group would benefit from meeting with Marias, too, because we'd all be served by that kind of commonality and standardization.

OCG: It sounds as if things were pretty much purring.

Gary: Things heated up a bit in July and August. We had to work with Finys and Marias to prioritize deliverables, to determine what things had to be accomplished before go-live, and to identify those things that could wait. We had to make decisions almost on the spot. It took a lot of work, but everything got done. Finys and Marias put a lot of effort into understanding what our needs were, knowing we had to hit the go-live date with no options beyond them. They committed whatever resources they needed to get it done. And between Finys, Marias, and the FAIR Plan staff members, particularly Nancy Konrad, it was an amazing collaborative effort.

OCG: For what it's worth, it sounds as if the FAIR Plan derived considerable value from its relationships with Finys and Marias.

Gary: I actually wish more FAIR Plans would sign with both companies. I might not have any business saying that. But we have a FAIR Plan User Group that's met with Finys a few times. I think the group would benefit from meeting with Marias, too, because we'd all be served by that kind of commonality and standardization. We FAIR Plans are all a little bit different. But by the same token, we could work together on some things if we weren't having to re-invent wheels. The last time the Group met, many of the Plans were amazed that we were able to go live within a year because it took some of them two to three years to accomplish what we did.

OCG: On the subject of that amazement, we hear about the fact that many implementations in the insurance industry seem to go disastrously wrong. Yours didn't. Did that amaze you? And if another FAIR Plan was looking at Finys, what would you say?

Gary: When I talk with other FAIR Plans, most of the time they say, "Oh, we had this issue and that issue related to the installation." But then they also say, "Some of it may have been our own fault, because we didn't give the vendor accurate information," or "We didn't prepare and test well enough prior to going live with the system." That's why I'm comfortable calling our relationship with Finys and Marias a partnership. With the help of Marias, we were able to get all the information, document it accurately, and give it to Finys.

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OCG: Did anything go wrong? Do you have any complaints?

Gary: The two things that caused the most heartache after we went live were the daily output — like all the dec pages — and the commissions. We ran out of time and hadn't thoroughly tested those features before go-live. I hesitate to call those things wrong, since they may have been addressed if we had more time. But they were the only issues we had the first few weeks after going live.

OCG: Did anything go especially right? Or did things go right for any particular reason?

Gary: I'd say the reason things worked as well as they did is communication. If you give them what they need, they deliver quality product. They're not psychic. They can't know what you need unless you tell them. That put us into a situation of open communication right from the start. And with Marias as a kind of intermediary, we were able to tell Finys everything we needed, clearly, accurately, and responsively.

OCG: The success of the project notwithstanding, it must be a relief to put it behind you.

Gary: It is. But we haven't closed any doors. It may go without saying that we maintain an ongoing relationship with Finys. But we maintain one with Marias, too. Without Marias, there's absolutely no way we could have pulled off the project the way we did. And because we don't have any tech people on staff, we continue to get the professional, informed support we need because Marias speaks tech and insurance. If we have an issue, Marias translates it to Finys. Within 30 to 45 minutes, we have a remedy to look at. If I had to do it myself, it wouldn't be resolved until the next day, at best. Marias saves us time and saves Finys time.

OCG: Without intending to put you on the spot, is there anything you've been able accomplish since you started working with Finys that you might not have been able to accomplish without them?

Gary: The reasons we chose Finys were that it had a proven software system used by other Fair Plans, and we didn't want to have to find a new system in three or four years. We wanted a scalable, configurable system, and we wanted a long-term partner. We wanted a vendor that mirrors our own values, that's dependable. Given the aggressiveness of our timelines, there were two ways Finys could have met them: They could have knuckled down and got it right — all of it. Or they could have cut corners. We don't cut corners, and neither does Finys. And Marias plays into this, as well. We identified the things that needed to be done. They got done. And there was no compromise in quality. We don't feel like we bought a system. We feel like we met two partners.

OCG: We hear partner used a lot. But you don't make it sound like a cliché or lip service.

Gary: We worked together to get the critical things taken care of before go-live. We assigned the things that could wait a lower level of priority. And we continue working together to get things exactly as we want them to be.

OCG: Just like a real partnership.

Gary: Exactly. I don't mean to say everything was perfect. That's not possible. But the partnership we've established with Finys and the partnership we've established with Marias allow all of us to work together to get things done. And we all share a commitment to the partnership, to collaboration, and to working together long term. Those are the things that stand out to me.