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DIGITAL REPORT **2022**

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CURE CIO, *Douglas Benalan*, discusses the commitment to providing affordable car insurance using cutting-edge technologies to serve its customers

Headquartered in Princeton, New Jersey, CURE auto insurance is a not-for-profit insurer founded in 1990 by former New Jersey Insurance Commissioner James J. Sheeran and award-winning insurance expert Lena Chang, Ph.D. Originally heralded as the "cure" for the auto insurance crisis in New Jersey, the CURE business model is different in many ways. The insurer prioritises how a person drives versus their socio-economic status. This unique approach is shaped by the philosophies of its founders and current leadership. The risk assessment model of most car insurers takes into consideration a host of different factors. Among the typical factors include driving history and driving record, but there can be others, such as education, occupation, credit score, and home ownership. Sadly, and unknown to to most drivers, is that most car insurance companies often charge more to drivers who are more likely to have lower incomes than those that are wealthier, regardless of their driving record. Is this fair? Even those who may know very little about car insurance would say no. CURE agrees, and with the help of its 200+ employees, has insured hundreds of thousands of drivers in New Jersey, Pennsylvania, and now Michigan as of 2021, without taking these socio-economic factors into account.

CURE Insurance on its ethical auto insurance policy

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> **"Under my leadership, our IT team successfully achieved 70% of the planned projects within a few months, with the remaining 30% scheduled for completion before year end"**

DOUGLAS BENALAN
CIO,
CURE AUTO INSURANCE

Solutions for an unprecedented challenge
In direct response to New Jersey's comprehensive PIP reform, CURE has become an unrelenting proponent of offering fair rates, based on driving record, and not socio-economic factors. "CURE has a responsibility to the community and, since 1990, we have continued to offer affordable car insurance to responsible drivers," affirms Doug Benalan, who joined the company as CIO in 2020. "We base our rates on how well a customer drives, not their education, job or credit history."

With more than 20 years of experience in IT leadership and digital transformation and having worked for major insurance and financial service businesses, such as Insurance Service Office (ISO), UBS

DOUGLAS BENALAN

TITLE: **CIO**

INDUSTRY: **INSURANCE**

LOCATION: **USA**

>> Doug Benalan is the Chief Information Officer of Cure Auto Insurance responsible for building efficiency for business operations through automation and innovation. As a technology executive and visionary thought leader, he is recognised for bringing cost-effective solutions and speed-to-market tools for enterprise-wide technology solutions.

Doug has 20+ years in the Information Technology, during which time he has architected and managed complex, multimillion-dollar transformation projects to drive competitive advantage and return on investments for various insurance and financial organisations.

EXECUTIVE BIO

Financials, Chubb and NJM Insurance, Benalan's goal is to put his expertise to work at CURE. Yet despite his initial plans of upgrading IT and driving the transformation, when he first joined CURE there were more immediate challenges to face: "As a traditional work environment, almost all our employees worked in the office before the pandemic. The Covid crisis required our IT

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"In my eyes, being transparent, building trust, appreciating good work and making employees key players is what will transform a good organisation into a great one"

DOUGLAS BENALAN
CIO,
CURE AUTO INSURANCE

The Guidewire implementation

CURE and CIO, Doug Benalan, have a clear goal for its digital transformation – one that delivers customer-centric, omnichannel, cost savings with easy-to-use tools which provide measurable business value and ultimately customer satisfaction as a test of its success.

The first and most important driver for this transformation was the imminent expansion of CURE into Michigan. "We considered expansion based on the growth potential as a result of the state's personal injury protection (PIP) /no-fault reform, some of which took effect in July 2021. The state's prior mandatory unlimited PIP medical benefits proved too expensive for many Michigan families and some drivers just couldn't afford costly unlimited coverage," Benalan explained. "We strongly believe CURE will make a difference in Michigan and provide affordable car Insurance there as we have done for 30 years in New Jersey and Pennsylvania." Immediately after the launch, CURE saw a tremendous response from the public. The very first policies were for a mother and son in Pontiac, Michigan who had been paying a combined $3,600 annually. With CURE, their rate dropped to

team to develop a cost-effective and secure remote solution so that all employees could work from home without any business disruption. Timing was critical."

Despite the life-changing nature of Covid, the pandemic provided opportunities, it catalysed cloud-based solutions and stimulated the IT team into resilient and flexible working patterns. "IT has taken centre stage for some time and the pandemic only catapulted it further. Almost every aspect of the organisation – from sales to operations – now relies on digital processes. As CIO, I had to make quick decisions, balancing strategic and tactical growth opportunities. But it wasn't me alone. I have to applaud the way my IT team handled the pandemic with a creative approach, always supporting both internal and external customers." As in many businesses, it made people acutely aware of the value of a trusted and dependable technical team!

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$1,820, a pattern repeated across the state and reflecting an average savings of more than 50% for many drivers."

This positive response was made possible largely by the recent and successful Phase 1 implementation of a new suite of Guidewire products. This includes adopting InsuranceNow to accelerate speed-to-market and business growth. "Speed-to-market was an important driver when considering a new system to help facilitate our goal of further expansion into new markets. Specifically, Guidewire InsuranceNow met our criteria – scalability, configurable, user-friendly and affordable," said Benalan. "Also, its cloud and all-in-one aspects were both attractive and critical to help our IT staff increase efficiency by shifting maintenance and support to Guidewire so they are now able to focus on mission-critical business objectives that will accelerate our growth."

"The system architecture runs in a highly scalable AWS cloud with all the DevOps for deployment and monitoring." Benalan adds. "Based on open API technology, integration is efficient with opportunities to share data between systems and came with Business Intelligence and a Looker tool for data reporting and dashboards. This program was delivered on time and within budget, while never losing sight of enhancing customer values. With the automation and scalable Guidewire system, management and internal users are now confident we can continue to explore expansion opportunities."

Benalan has great hopes for the Guidewire InsuranceNow product, which allows insurers like CURE to launch innovative enhancements in weeks – meeting rapidly changing customer needs and quickly scaling up with a single core system. "It's a multi-million-dollar initiative, where our entire policy, claims, and billing system are moving from legacy

> **"As a technology leader, I enjoy being part of business growth and finding creative ways to further satisfy both our internal and external customers"**
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> DOUGLAS BENALAN
> CIO,
> CURE AUTO INSURANCE

platforms to a modern system." The transition required thorough planning and coordination across business units with user testing and acceptance. "My vision for this modern system is long term ROI, increased automation, scalability and the flexibility to be used across different platforms and browsers. I also seek to deliver better data reporting to help make quick yet well-informed decisions." Expansion and growth would be far more difficult using the previous, less scalable system.

Root and branch transformation
Change is not always easy, or welcome. However, by showcasing detailed projected

ROI over a five-year period, Benalan illustrated the value of his proposed changes and convinced CURE's various business units and key stakeholders. "The application design is a microservice architecture pattern, also comprised of small reusable services running in AWS cloud. It has a disaster recovery zone and a highly scalable database for faster performance. The application connects to complex third-party integration services with REST API. The design also has database replication for live reporting, where tools like Looker are used to slice and dice the data for the customised dashboard. One example is our use of the DocOrigin tool for designing complex insurance forms, which has increased accuracy and efficiency."

At the same time, Benalan is establishing best practices for quality agile development. Since some of the integrating modules are out-of-the-box solutions with little flexibility for customisation, Benalan and his team architected expandable interfaces that were quickly implemented and accepted throughout the business. The CURE CIO keenly recognises any technical transformation has to be accompanied by a culture change. "The most important factors to this project's success were user awareness and corresponding training

programs. We used a tailored awareness, desire, knowledge, ability and reinforcement (ADKAR) model, in which all our business users were involved in each step in the systems development life cycle (SDLC), and their feedback was integrated throughout the process."

IT delivering value today and tomorrow

Changing and modernising the IT infrastructure was another key task, such as leveraging CISCO technologies like Meraki and Umbrella to improve the health and security of the CURE ecosystem. Upgrades

to the communication systems were also required to handle the expected growth in business and technological needs. To ensure the call centre had the tools needed on the digital journey, the IT team implemented a modern Genesys Cloud solution through which the number of dropped calls decreased while efficiency increased by 10%.

Benalan emphasises that every change he and the IT team introduced were designed to serve the organisation's mission: to provide affordable car insurance based primarily on one's driving record. To achieve this end and ensure constant improvement

Although maintaining the old system was costly, the Guidewire implementation has already delivered measurable efficiencies, Benalan says. Because CURE refused to use certain socio-economic factors for rating, the need to consider credit history, occupation, college degree, and related factors is eliminated. The IT solution brings automation and easy customisation to policy generation, billing and affordable payment plans, delivering lowering premiums for customers with a good driving history.

With these new systems in place, Benalan has now turned his attention to the customer experience, investing in interactive voice response (IVR), chatbots, secure claims submission and other advanced solutions so customers can access information 24/7. In the very near future, he will introduce predictive analytics for customer retention, and OCR technology to scan and upload policyholder information for complete automation. This will be complemented by seamless processing and integration with third-party partners for claims assistance such as Enterprise car rental and Safelite® AutoGlass.

Since its start 30 years ago, CURE has remained wedded to the principle of ending unfair practices and discrimination in the insurance industry. The IT team, under the leadership of Doug Benalan, has furthered that principle while simplifying every interaction with its ever expanding customer base. Since CURE does not consider credit score, occupation, or education level as factors when determining rates, it's no wonder that it has been able to steadily grow its footprint nationwide. ○

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to the applications, the team implemented a monthly feedback process involving review by all business stakeholders in order to improve IT strategy. Customer input was also part of the ongoing development and enhancements. "We have a number of measurable goals. One is a system where customers can buy policies online, reducing the need for manual operations and call centre costs. Under Benalan leadership, IT team successfully achieved 70% of the planned features for the online sales portal within a few months, with the remaining 30% scheduled for completion before year end."

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