

**From:** Leah Dunn  
**Sent:** Friday, June 11, XXXX 3:24 p.m.  
**To:** Fran Jacobsen  
**Subject:** Recommendation to Adopt New Procedures for Processing Claims Forms

Fran,

Last Wednesday you asked me to review the procedures for processing claims forms. This is my response. I strongly recommend you approve and implement the procedures in Appendix A at the beginning of the fiscal year, September 1.

The recommended procedures would benefit the company three ways:

- Reduce processing costs by 16 percent and save \$1,512 a month
- Increase customer service and satisfaction
- Increase office morale

#### **Reduce processing costs by 16 percent and save \$1,512 a month**

The current system costs an average of \$23.65 per document. The recommended system would cut that cost to \$19.87—a 16 percent savings. Since the company processes over 400 claims each month, this would save the company at least \$1,512 a month.

#### **Increase customer service and satisfaction**

The current system takes five working days to process a claim. The recommended system would cut that time to three days. We'd get the claims and the funds back to the customer faster. That would increase customer service and satisfaction.

#### **Increase office morale**

The current system includes three review loops. These loops take time, cost money, and restrict employee discretion. The recommended procedures reduce the review loops to one. My informal surveys indicate this will significantly increase office morale.

To save money, increase customer service, and increase office morale, I strongly recommend you approve and implement the new procedures beginning September 1. If you have questions, call me at x3564.

Leah