The challenge

For Swiss health insurer, SWICA, the complex calculation of premiums to cover the volume of claims and costs is a central process. The company's systems were outdated and there were also major personnel dependencies. For example, SWICA used a database management system for basic insurance and supplementary outpatient and inpatient cover until 2022, for which the manufacturer’s support had already expired several years ago. In parallel, the company’s processes were further challenged by many and complex Excel spreadsheets. Although it was possible for SWICA’s team to carry out all necessary calculations using this patchwork approach, expertise was concentrated in few employees. Overall, the process proved to be difficult and error-prone.

The objectives

As SWICA started exploring its solution requirements, three primary objectives emerged.

1. Non-disruptive: SWICA wanted to basically maintain its existing processes and workflows, so flexibility and efficiency would be paramount.

2. Pre-configured: SWICA wanted to implement a system in which all legal requirements were already stored and automatically updated. For example, the Swiss regulator determines how discounts must be calculated, how alternative insurance models are to be treated, and which consider regional discounts. SWICA expected their new solution to automate these requirements.

3. Finance-forward: SWICA wanted a lean and easily adaptable solution that could operate without third parties and would seamlessly integrate into the other finance processes.
Requirements

• Calculate premium and premium volume efficiently and regulatory correctly
• Replacement of an out-of-maintenance legacy system to calculate individual premiums
• Adoption of existing processes and workflows
• Supports the Federal Office of Public Health’s legal requirements

Benefits & results

• Introduction of the premium and inventory module of CCH Tagetik as software-as-a-service.
• ~50% faster calculation runs
• Automatic updating/consideration of new legal requirements
• Transparency with automatic and explorable audit reports

The solution

SWICA chose CCH Tagetik for the following reasons:

• It was one of very few solutions already used in specific projects in the insurance environment.
• Its software-as-a-service model met the specification sheet requirements.
• Its premium and portfolio module could quickly and efficiently calculate premium volume for insurance and additional coverage as parameters changed.
• It could use SAP HANA as its applications’ underlying database.
• SWICA could create technical concepts with CCH Tagetik partner Deloitte and hand those over to CCH Tagetik for implementation.

Benefits and results

50% faster calculation runs
Using CCH Tagetik, SWICA can now carry out calculation runs for premium volume much faster — its time savings amount to ~50 percent. This efficiency has opened up additional scope for analyzing and discussing results and fine-tuning individual parameters.

Automatic, explorable audit reports
CCH Tagetik enables SWICA and all stakeholders to view an audit log, which automatically traces what was changed, when, and by whom. This transparent and system-based approach is a significant improvement from SWICA’s previous approach, which was partly based on Excel and lacked tracking changes.

Easily extendable
Based on SWICA's positive experience with CCH Tagetik, the company's team is considering extending the solution to support supplementary insurance needs in the future.

About customer

SWICA is one of the leading health and accident insurers in Switzerland. Around 1.6 million insured persons place their trust in the benefits provided by the health organization. In addition to the basic insurance defined by law, SWICA offers various outpatient and inpatient supplementary insurances which can be used to supplement financial protection on an individual basis. SWICA has been ranked first in customer satisfaction surveys for years, not least because of its wide range of products and services and its attractive price-performance ratio. The annual premium volume of the insurance company, headquartered in Winterthur, amounts to CHF 5.1 billion.

“With a standardized, manageable solution, we can ensure the high quality of the calculations in the long term.”

Matthias Zingg, Deputy Head Product Management & Underwriting Department, SWICA