



SOUTH EAST WATER CLEANS UP CONCESSION CLAIMS WITH PROGRESS SOFTWARE

Eliminating fraud, improving service

When Victoria's Department of Human Services (DHS) asked the state's water retailers to tighten up requirements for granting concessions in order to weed out fraudulent claims, South East Water took a close look at its customer database—and discovered 90,000 of its 160,000 concession cardholder records needed to be updated.

With each concession claim representing up to a 50% discount on water and sewerage services up to \$216.60 per customer per year, millions of dollars in lost revenue were potentially going down the drain through fraudulent claims.

DHS had requested South East Water change the way that customers register and claim concessions. South East Water needed a better way to validate concession claims quickly and accurately. It implemented a new verification system using the Progress® OpenEdge® platform to deliver a fast, Web-based connection between its billing system and Centrelink's customer concession eligibility database.

Improving Data Accuracy

Previously South East Water captured customers' concession card details through a combination of manual and automatic processes including concession application forms, telephone calls, and collection of data from Australia Post captured while the customer was making a payment. South East Water then ran an XML batch validation process to check customers' entitlements in bulk once a quarter.

DHS now requires South East Water to validate on additional information including first name, surname, billing period and principal place of residence. The new validation rules required all concession claims for previous bills and the current bill to be validated prior to processing.

When it embarked on the project to improve validation, South East Water discovered additional data was required for 90,000 of its concession records, South East Water Senior Business Analyst, Customer Systems, Jaquelin Barnes explained. "We didn't have all the data we now needed for 45,000 records because we hadn't previously had to validate on first and surname before.

"For another 45,000, we had the data, but it didn't match Centrelink's records. Records were incomplete or were for properties that weren't entitled to a concession because they weren't the customer's primary residence.



CHALLENGE

Improve speed and accuracy of validating concession claims to reduce fraud and improve revenues

SOLUTION

Progress® OpenEdge® platform and application server, which used the OpenEdge Web Service client technology to link the company's billing system with its concessions entitlement database in real time.

BENEFITS

Reduced fraudulent claims; improved data accuracy, productivity, and customer service

"In the past we ran that batch process only once a quarter, and it was mostly manual. By the time it got to the billing of the customer, it was very hard to tell if they were still entitled to a concession or not."

The quarterly validation process resulted in a large volume of exceptions. "We went through a data clean-up so we wouldn't end up in the same situation again," Barnes explained. "Using the system-to-system validation process, we made sure we had all the details correct as we spoke to the customer."

Validate, Validate, Validate

South East Water Manager, Customer Systems, Peter O'Donoghue added: "We needed to shore up weaknesses in the process to make sure the person entitled to the claim was getting the claim. So we needed to validate customer information at the time we were capturing it and re-validate it each time we were billing the customer."

South East Water decided to run its new validation process on the Progress Software OpenEdge platform and application server, which utilizes the OpenEdge Web Service client technology to link South East's DSTi HiAffinity billing system with Centrelink's concessions entitlement database in real time.

"We have used HiAffinity for ten years. It has always been on the Progress platform, and we knew that Centrelink had a Web service available for validating concession entitlements. Because HiAffinity was moving to the OpenEdge platform, timing was suitable because we had the platform to support Web services," Barnes said.

South East Water stopped showing the concession amount on the bill (in accordance with DHS new guidelines) and included a message asking eligible customers to contact them to register for the concession.

O'Donoghue added: "Our customer information system now links to Centrelink's concession eligibility database using the Progress OpenEdge platform."

"That link allows us to determine if a customer's details are correct, relate it to that customer's property, and ensure that they are currently eligible for the concession as close as possible to their billing date. That's important because sometimes people come in and out of eligibility between billing cycles."

"The validation is extremely fast. The information passes from us to Centrelink and back again in the blink of an eye."

Reducing Fraudulent Claims

The new system means fraudulent concession claims are not granted, enabling the savings to be re-invested by DHS in other concession programs.

"It means we don't have people claiming concessions when they are not entitled. There's no way for a customer to be granted a concession without being entitled to it," Barnes said.

"We get the customer's consent to validate the data with Centrelink. All the operator has to do is hit the 'validate concession' button."

Greater Accuracy and Time Savings

The solution provided a quick, cost-effective win for South East Water by improving accuracy and productivity through automated processes.

"We have changed the business process so that we capture all the correct details when we speak to the customer on the phone. Because we get it right at the start of the process, we have reduced the number of staff processing exceptions each quarter," Barnes explained.

"South East Water's on-line system-to-system concession entry facility makes concession card validation instantaneous and a streamlined process for both customer and operator. The fact that the system can automatically calculate any missed concessions ensures the customer is not disadvantaged and eliminates operator error."

Cheryl Roche, Senior Program Advisor, Concession Business Management Unit, Department of Human Services—Children, Youth and Families Division

Eventually, the only customers who will need to call South East Water to register for a concession will be new customers who have become eligible.

Improved customer service

“The solution also means better service for customers,” O’Donoghue added.

“If customers are entitled, they are automatically granted their concession amount without needing to claim it each time. Plus they don’t have to tell us when their circumstances change because we revalidate prior to billing the customer. Also, the system can re-bill customers retrospectively in real time, so they can get concessions for previous periods if they were entitled.”

“Our customer information system links to Centrelink’s concession eligibility database using the Progress OpenEdge platform. That link allows us to determine if a customer’s details are correct, relate it to that customer’s property and ensure that they are currently eligible for the concession as close as possible to their billing date. The validation is extremely fast. The information passes from us to Centrelink and back again in the blink of an eye.”

Peter O’Donoghue, Manager,
Customer Systems,
South East Water

PROGRESS SOFTWARE

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