

Special Claims Process Automation

Minnesota Housing

Management Innovation: Technology

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Minnesota Housing provides financial assistance to rental property owners facing financial risk. Owners submit a Special Claim to receive payment covering financial risks relating to limitations on security deposits and waitlist requirements. For years the Special Claims process was an expensive, cumbersome paper process prone to error due to human processing. Minnesota Housing recently converted to an automated Special Claims process and is realizing savings and improvements from this change.

Minnesota Housing's Special Claims process supports the preservation of housing that is affordable. It provides financial support to owners facing financial risk due to limitations on security deposits and waitlist requirements. It is also critical to the Agency's Multifamily Division.

Using the Multifamily Tenant Rental Assistance Certification System (TRACS) Payments, the Agency automated the Special Claims process. Before automation, the Special Claims process was paper-intensive requiring significant cost to mail and store documents. The digital information supporting the process was spread across multiple systems.

The process relied on customers to mail in paper documents. The date the documents were received was manually stamped on each submission before being entered in a separate tracking tool. If staff had questions while reviewing claim submissions, they had to follow up with customers by email or phone.

Overall, the manual Special Claims process was inefficient and lacked transparency. In addition, reporting and analysis was difficult. The process was ready for an overhaul, and Minnesota Housing moved to automate and streamline the process.

Innovation

Automating the Special Claims process allows for more transparency and a more efficient data management reporting tool. Working with internal staff and external customers, the Agency developed a solution that eliminated the need for processing hard copies of documents and used the existing Salesforce platform.

The new solution provided customers with a secure Customer Portal to submit special claim payment requests and securely upload digital documents. Important information, such as processing status and due dates, is always available for customers. Any activity, including email communications and status changes, is displayed in real-time. Through self-service, customers can always find the details on next steps to complete the process.

Automated notifications assist with processing of special claims. Internal staff is automatically emailed when a claim is submitted and ready to be reviewed. From submission to processing to final disposition, the system sets and resets due dates and notifications to ensure mandated timelines are met.

Standard email templates are used to notify the customer as the claim is processed. These notifications are all stored with the claim so all users can access the communication history.

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Replicable

The Special Claims solution utilized functionality currently used for the annual Multifamily Consolidated Request for Proposals (RFP) process. The Customer Portal recognizes two different customer roles — one for RFP customers and one for Special Claims. Unique landing pages and menu options are dependent on the user's profile. Customizing the portal to different customers allows extending the customer interface to other lines of business as needs arise.

The solution also introduced an automated process for purging data. To comply with data retention policies, a workflow identifies old, stale data. The process sends a pre-purge report to key business contacts who validate selected records. After the data is purged, a confirmation email with the number of purged records is sent to the contacts as verification. This is vital to managing data and storage as functionality is extended on the platform.

Data capture, document collection and workflow automation allow for maximum flexibility. Salesforce is widely available and allows users to use configuration tools rather than programmatic coding to build a customized platform that fits the needs of each Housing Finance Agency. Leveraging Salesforce allows sharing of the product in its AppExchange with public, nonprofit and private organizations that are facing similar challenges.

Management Challenge or Opportunity

Automating the Special Claims process was already underway when the COVID-19 pandemic started. The pandemic moved the effort to the top of the priority list.

Even before teleworking, the paper-based process for Special Claims was cumbersome. The heavy reliance on paper documentation in the old process led to inconsistent and error-prone processing. Each internal data analyst used a different claim letter template leading to inconsistent messaging to customers. The templates required staff to manually calculate dates, increasing the likelihood of errors. The letters were also stored separately from the claim data and email communication.

With claim data spread across multiple systems, reporting on the status of specific claims or the overall health of the claim process was difficult. Key pieces of data, like submission date or final notification date, were managed on paper. Reporting on total processing time or routine auditing for overdue claims was time consuming.

Measurable Improvements in Agency Operations

The new Special Claims application solves the data management issue. All documents, communication and processing tasks are stored in a single portal, which reduces the need to track data across multiple systems. Processing is quicker as staff can find all claim data with a single click from their home page.

Customers can find information quickly and whenever they need it. They can get questions answered through online self-service, rather than waiting on the phone or for a response to an email.

Critically, the new solution standardizes claim processing. System-wide email templates ensure data analysts send the same notification to customers. System automation ensures due dates and processing deadlines are calculated uniformly for all submissions. Consistency in communications and date





calculations allows for tracking data and performance metrics. With the native reporting tools in Salesforce, users can track claims from creation to submission to final disposition. All reporting is in real time so users can identify time critical tasks.

Benefits Outweigh Costs

Although the application's final features will be deployed later in May, the Agency is already seeing benefits. Processing effort has been reduced by eliminating the need to manage and date stamp paper documents. Sending emails using custom templates and having them automatically attach to the claim has dramatically reduced copy-and-paste or drag-and-drop previously needed to track communications.

Internal staff gave customers the option to continue using the paper process, depending on their comfort with technology, until deployment was fully complete. One hundred percent of Special Claims customers are using the Customer Portal. We no longer receive paper claims submissions.

In solution design, customer experience was a primary focus. Customer satisfaction and anecdotal customer feedback has been very positive so far. Quantifiable data and feedback on the customer experience will be collected at the one-year anniversary of initial deployment.

Effective Use of Resources

This solution was effective in three ways. First, technology the Agency was already using successfully for another purpose was leveraged. The Multifamily Customer Portal was implemented in 2017 and the Multifamily Scoring Wizard was added in 2021. By using Salesforce, a new group of customers can be served without additional software or hardware costs.

The second way focused on a very high-touch, manual process. The old process required multiple points of contact including the customer, Agency front desk, Agency administrative staff, data analyst and data analyst manager. The new process has reduced the points of contact to the key players – the customer and the analyst.

Finally, an annual data purge guarantees stale special claims data won't be retained past its usefulness. Data purging is critical to meeting security requirements and keeping data clean and manageable.

Strategic Objectives

One of Minnesota Housing's guidance principles is to be accessible, transparent and accountable. The implementation of an automated customer-facing solution for special claims processing provides the high degree of transparency we seek.

In the old process, customers had no visibility into the claim processing once they put it in the mail. They had to call or email the Agency for updates. The solution allows customers to track their claim throughout the process. Similarly, when a data analyst needed more information, they had to call, email, or mail a paper request to the customer. It allows staff to manage data in one place and report on results in real time.

The Special Claims process automation has strengthened the Agency's operations and helped it better achieve strategic objectives.



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Appendix A: Customer Experience (external)

Home Page

Multifamily Customer Portal







Guidance and Training:

- Helpful Hints for Special Claims ovides guidance on steps necessary for completion and submission of Special Claims
- · HUD's Special Claims Guide
- Special Claims Flow Chart a quick cance on the steps between your office and Minnesota Housing to your claims approved
- Special Claims Training an in-deal training presentation containing information for accurately completing your claims
- Special Claims Damages Life Expectancy For special claims damages, the life expectancy of items such as carpets, appliance and which was and screens as well as descriptions of "normal wear and tear".

Resources:

- Regular Vacancies Special Claims Checklist Required checklist to be used with each vacancy special claim. (fillable pdf)
- Sample Waiting List can be downloaded and tilized at the cite level for waiting list requirements.
- Unit Reconditioning Log Sample of a required form for all special claims submissions. (fillable pdf)
 Unit Reconditioning Log Sample of a required should be used with each unpaid cost idease.
- Unpaid Rent Special Claims Checklist , equired checklist to be used with each unpaid rent / damages
 special claim. (fillable pdf)

Portal Resources

Portal Forms

TRACS Voucher Information Sheet – Form used to notify TRACS Analyst of changes in contact information for Special Claims. Submit one form per property. Changes to the Owner or Management Company for a property must be submitted separately. See the Request for Action page for details.

User Guides

- · Setting Up or Changing User Accounts
- How to Log In
- How to Customize Your User Profile and Settings
- How to Navigate
- · Special Claims

Trainings

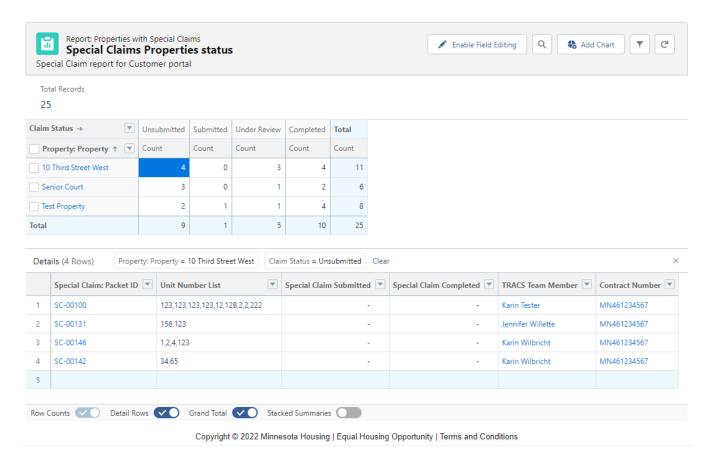
 Special Claims in the Multifamily Customer Portal



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Tracking and Reporting

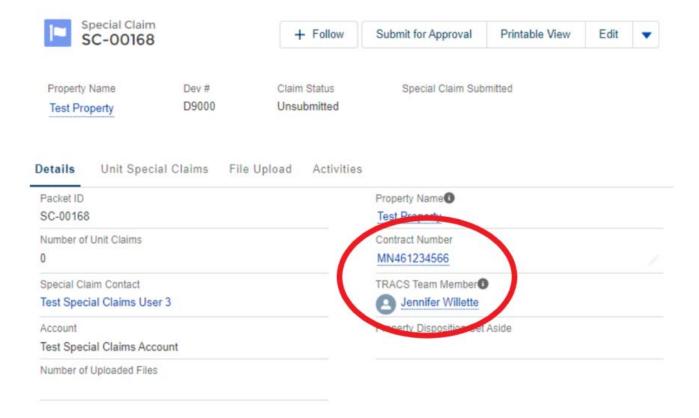




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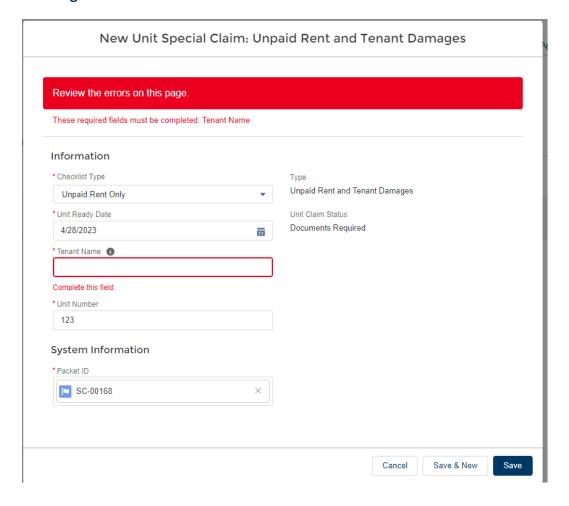
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Starting a New Claim





Entering Data for each Unit Claim





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Details File Upload/Checklist Activites

Upload one or more files below. Drop them in the list or click Add Files. Documents can be combined into a single file or uploaded as individual files. See the user guide for more information.



			С	Save
Name	Upload Complete	Validated	Information Required	Required/Optional Item
Checklist Unpaid Rent and Tenant Damages	✓			Required
HUD-52671-A (for Unpaid Rent/Tenant Damages)	~			Required
Copy of the original signed move-in 50059	~			Required
Documentation for security deposit collected	✓			Required
Copy of the certified letter sent to the tenant	✓			Required
Copy of the Agency's First Demand Letter	✓			Required
Documentation for other charges	✓			Required



Submitting a Claim

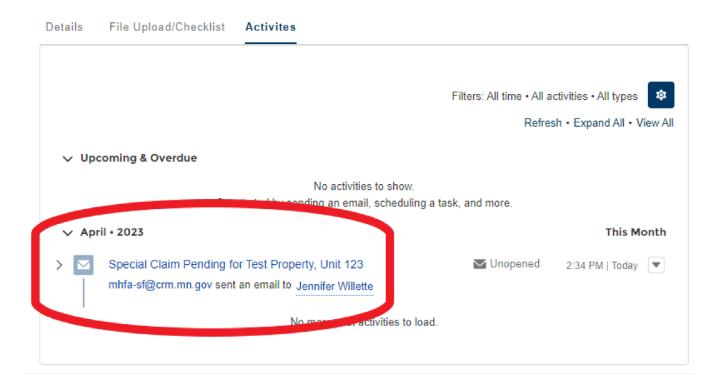
Submit for Approval

One or more Unit Claims in this Special Claim are missing required documents. Review the document Checklist for the following Unit Claims: [USC-00230]

One or more Unit Claims in this Special Claim are required to have MI/UT submitted to TRACS. MI/UT must be submitted to TRACS before submitting the unit claim. Review the following claim(s): [USC-00230]

Finish

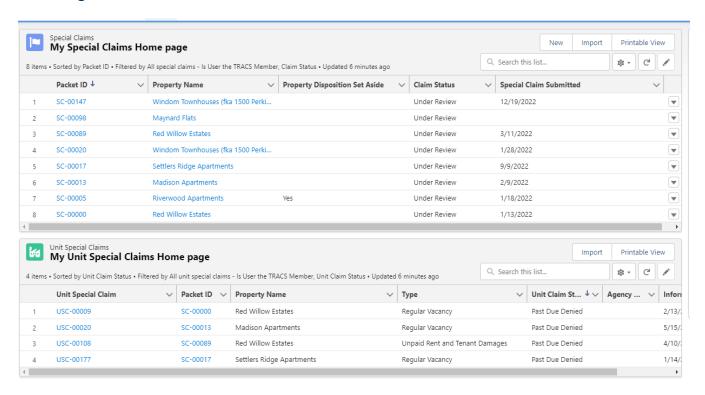
Email Communication



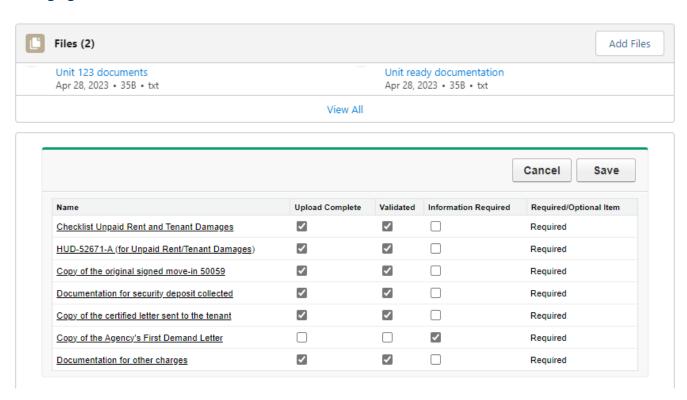


Appendix B: Data Analyst experience (internal)

Home Page

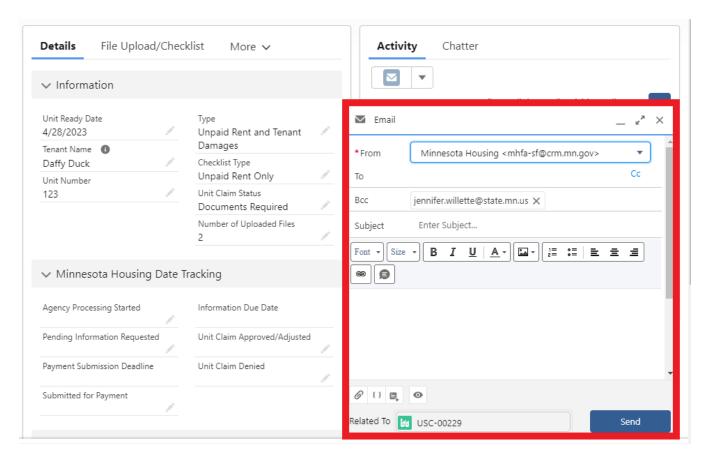


Managing Claim Documents





Communications





Automated Notifications

