

# Legal eXchange™

Total Legal Spend Management Solution  
for Insurance Companies



**Bottomline**  
*Technologies.*

# Legal eXchange Helps Leading Insurance Companies Drive Strategic Thinking

## Delivering Unprecedented Insight into Litigation Costs and Outside Counsel Performance

With a continued reliance on paper invoices and traditional communication methods, insurance companies utilizing outside counsel to litigate claims have limited insight into their legal spend and litigation efficiency. Legal eXchange, a secure, Web-based solution, offers a single comprehensive view for managing critical information to enable better decision making.

Unlike generic legal e-billing systems, Legal eXchange delivers a wealth of functionality that includes not only automated bill review, but also collaborative budgeting, the ability to handle documents and receipts, and seamless integration with claims management systems. Legal eXchange supports financial and billing standards and provides granular data collection tools that assist in day-to-day claims management.

Today, Legal eXchange is the choice of the nation's largest insurance companies for controlling legal spend and losses, and for managing outside counsel relationships more effectively. Each month, Legal eXchange is used to process tens of thousands of legal invoices against more than a million active claims.

## Using Data for Better Decision Making

At Bottomline, we see legal spend management as an opportunity for organizations to not only manage litigation costs, but to also examine how internal and external resources are being used. Legal eXchange supports this philosophy with features for sophisticated data and trend analysis of not only e-billing data, but also related claims and financial data.

While users work from the same base of information, configurable screens and workflow set-up gives users the ability to quickly segregate data by status, firm, invoice source, claim type, approval structure, rules, rates, budgets, even timekeeper – putting powerful information and comparative analysis at the fingertips of claims administrators. This allows cases to be assigned to law firms ideally suited to achieve the best result within a particular budget framework.

## Adding Efficiencies to Your Litigation Program

In addition to better financial planning and forecasting, Legal eXchange customers realize measurable returns through savings achieved by the automated enforcement of billing guidelines, prompt payment discounts, increased invoice processing efficiency, and less time and resources spent on data entry and reporting. At the same time, a reduction in paper invoices and more efficient invoice review processes net productivity gains to improve resource throughput.



“As we evaluated various solutions, a number of factors emerged that indicated Bottomline had the right legal spend management solution for our business: Legal eXchange’s record of success for delivering results to a diverse group of insurers; Bottomline’s extensive knowledge of the P&C industry and how insurers interact with outside counsel; and the solution’s native functionality for benchmarking the performance of our outside counsel.”

Mark Jones  
Director of Litigation  
Shelter Insurance

# Experience and Innovation

## Bottomline Leads the Way with Superior Professional Services

Bottomline has applied its resources to the task of providing scalable legal spend management solutions derived from advanced R&D, backed by unparalleled domain expertise, and supported by the industry's most responsive customer services team.

### Comprehensive Professional Services

The success of any legal spend management solution is directly related to good planning, design and support before, during and after the implementation. Bottomline's services strategy is based on more than a decade of in-market experience deploying legal spend management solutions to offer claims departments an informed approach to long-term success.

Bottomline's on-staff professional services team, including experienced litigation attorneys and application experts, offers unparalleled expertise in implementation, business analysis, rules development, training, law firm support and ongoing account management. With Bottomline, the implementation manager is the support manager – not a generic help desk or support hotline. No other company offers this level of personalized support for the life of the contract.

### Law Firm and Vendor On-boarding

With a growing network of thousands of law firms and vendors, Legal eXchange is deployed at many leading insurance companies. For firms joining the network, Bottomline provides a number of innovative communication tools to ensure adoption. A dedicated customer services staff handles law firm and vendor enrollment, ensuring that the process happens quickly and smoothly. Daily training sessions and recorded presentations are available so that new users become proficient on Legal eXchange immediately.

### Optional Invoice Data Capture Services

In addition to support for electronic invoice upload, Bottomline provides value-added services for invoice data capture, eliminating manual entry associated with paper invoices. By converting data from paper invoices into electronic files, and through conversion support for more than 150 foreign currencies, customers can leverage Legal eXchange's rules engine and electronic workflow to monitor and process domestic and international invoices. Billing information can be aggregated with all claims-specific expenses, including fees for court reporters and expert witnesses.

The screenshot displays the Legal eXchange dashboard interface. At the top, there is a navigation bar with 'Home', 'Invoices', 'Matters', 'Vendors', 'Budgets', 'Reports', and 'Log'. Below this, the dashboard is divided into several sections:

- My Work Queue:** Lists 'Invoices', 'Matters', 'Budgets', and 'Reports'.
- Portsmouth Insurance Message Board:** Shows 'No Messages'.
- Bottomline Message Board:** Shows 'Welcome to Bottomline Technologies!'.
- My Assistance Queue:** Lists 'Online Help' and 'Email Tech Support'.
- Invoice Summary Table:**

	Count	Sum
Pending Invoices	10	\$30,435.30
Outstanding Invoices	10	\$30,435.30
Invoices Expiring Today	0	\$0.00
Escalated Invoices	0	\$0.00
- Matter Summary Table:**

	Count
Pending Matters	453
- Budget Summary Table:**

	Count	Sum
New Today	0	\$0.00
Pending Budgets	2	\$578,000.00
Outstanding Budgets	2	\$578,000.00
Budgets Expiring Today	0	\$0.00
- Invoice Quick Search:** A search box for 'Invoice Number:' with a 'GO' button.
- Matter Quick Search:** A search box for 'Matter Number:' with a 'GO' button.

*With the ability to access and analyze spend data through online dashboards and reports, users can collaboratively align and manage budgets and case handling strategies with outside counsel, while also establishing benchmarks from which future performance can be measured.*

# Legal eXchange Makes the Process of Managing Outside Counsel and Expenses More Efficient

- Expedite collaboration with law firms;
- Identify critical financial information for expense analysis;
- Assist personnel in prioritizing workload and managing risk;
- Eliminate paper by moving from image capture to capture of data points in a searchable and reportable database;
- Reduce budget and expense approval cycle times.

Expense and Loss	Legal eXchange
Increases with longer cycle time	Reduces cycle time by understanding which tasks and activities consume the most resources, but do not lead to early dispositions or substantive work
Increases with delays in determining the right person(s)	Reduces delays by assigning the right tasks to the right person(s)
Increases with delays due to communication breakdowns	Reduces communication delays through automated notifications that keep tasks on track
Increases due to wrong or insufficient information	Reduces inefficiency by putting all claim- and spend-related data in one place
Increases because of inaccurate information	Reduces inefficiency by having discrete task-level spend and budgeting detail in one place
Increases with inefficiencies in the process	Reduces process inefficiencies through automated workflow that keeps people moving forward proactively
Increases with duplication of effort	Reduces duplication of effort by providing a sophisticated rules engine that helps identify areas where work is duplicated
Increases with difficulty in obtaining and reviewing pertinent information	Reduces time spent searching for the important claim- and spend-related information by providing document storage and retrieval, and notes and messaging capabilities
Increases with difficulty in prioritizing workload	Reduces misaligned priorities by providing a configurable dashboard of high-priority action items
Increases with difficulties in monitoring and oversight	Reduces expenses by allowing users to combine tracking of legal and ancillary vendor invoices in one application, and report on combined data for greater business oversight

# How Bottomline's Legal eXchange Works

**Step 1:** Invoices are created by law firms and saved in the Legal Electronic Data Exchange Standard (LEDES) file format for browser-based upload to Legal eXchange. Once submitted, the law firm can log in anytime to check on the status of the invoice.

**Step 2:** Upon submission, Legal eXchange systematically validates fundamental invoice data. Invoices that do not pass are returned for adjustment, together with indication of the problem. Law firms can edit and re-submit invoices, again subject to validation.

**Step 3:** Once the invoice is validated, the system runs a second, more sophisticated analysis using Legal eXchange's powerful and configurable rules engine, determining whether rates and expenses conform to billing guidelines and other parameters.

Legal eXchange is configured to take action on each rule violation, including automatic adjustment, rejection back to the firm for correction, or flagged for internal review.

**Step 4:** Email notifications prompt claims adjusters that invoices are ready for review. Approvers can focus attention on flagged items, quickly make necessary adjustments, and sign off electronically to escalate to the next level of approver or to accounting for payment. 'Work queues' isolate confidential invoices to pre-selected users.

**Step 5:** After approvals are complete, the invoice is imported into the client's accounts payable system for payment. Data from Legal eXchange can be exported into an existing claims solution and/or the company's enterprise reporting system.

**Step 6:** Legal eXchange stores the data indefinitely, providing a full audit record for each invoice and the actions taken against it. Advanced reporting and data analysis capabilities provide detailed financial data, making forecasting easier and more predictable. Such queries can be used to assess everything from outside counsel performance to internal review efficiencies.

# About Bottomline Legal Spend Management

Bottomline's Legal eXchange legal spend management solution helps insurance claims and legal departments manage litigation costs and outside counsel more efficiently. Supported by electronic invoice data, users can align budgets and case handling strategies with outside counsel, establishing benchmarks for increased cost predictability. Legal eXchange is deployed at many leading corporations, top insurance firms and the thousands of law firms that serve them.

**Uniquely Bottomline | [www.bottomlinelegal.com](http://www.bottomlinelegal.com)**



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