

RPA-as-a-Service

Advance Claims Automation Overview

The Burden of 571 Claims

For Fannie Mae (FNMA) Servicers, Advance Claims make up the largest expense in back-office operations due to staffing, carry costs, and annual losses. These servicers have billions in outstanding Advance balance which strains cash flow and leads to a large annual carry cost.

The overall pull through rate on 571 claims is between 85% to 95% resulting in significant annual losses. Additionally, due to staffing constraints, some servicers do not proceed with filing claims of Paid in Full, Reinstatements, and Mods leading to annual losses estimated to be in the millions.

HPA can reduce the 571 claims cost by 50% reduction in advance balance, carry cost, staffing and curtailments.

Automating Advance Claims

Robotic workers can be trained to mimic the steps filers take to submit 571 claims, eliminating filing errors, as well as capacity restrictions for servicers. Robots have the ability to file claims at Foreclosure, SS, Deed-in-Lieu (DIL), Mod, Paid in Full (PIF), and Reinstatement without human intervention. Robots can also file claims on active foreclosure accounts to reduce the overall advance balance, which frees up cash and further saves on carry cost.

571 Invoice Approval

Invoice approval is a tedious process that requires significant staffing to process the volume and avoid delays. Each expense type has a set of rules that must be validated in order to determine where it falls within [FNMA reimbursable guidelines](#).

HPA's robots log in to Black Knight® InvoicingSM Solution, or similar invoicing tools, to approve or deny FNMA invoices using the [FNMA 571 servicing guide](#). Robots validate all expense-level invoice approval requirements and route accordingly. This can include auto denials or routing the claim to a human to make the final call.

571 Data Entry

HPA's robots gather data at the claim and expense levels from the Black Knight Mortgage Servicing Platform (MSP®), LoanSphere and Invoicing Solution, then enter the data into LoanSphere 571, or another claim filing tool, to initiate the claim. Robots gather expense-level claim data from invoicing tools to create expense line items in the claim filing system. A bulk filing process via XML can also be accommodated.

Invoice Attachment

Currently, servicers attach invoices to expense line items on initial claim submissions or FNMA additional documentation requests. This causes filers to locate the invoice related to the expense, download it locally, then upload it to the claim filing system.

HPA's robots can parse through a list of expenses, download the corresponding invoices from Invoicing Solution, and attach it to the expense in the claim filing system. Robots then attach the invoices to the expense line item and submit the claim or inform the team for review. Additionally, robots create Assurant® tax invoices, and can also gather tax data from MSP and enter it to CoreLogic® to create memo bills.

About HPA, A Cognizant Company

HPA is the leading RPA-as-a-Service provider for servicers seeking secure, reliable intelligent automation solutions. As a proven automation Center of Excellence, we utilize our proprietary technology and extensive reusable code library to deliver scalable RPA programs that accelerate ROI and reduce total cost of ownership.. For more information, please visit hpa.services.

About Cognizant

Cognizant (Nasdaq-100: CTSH) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 193 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at www.cognizant.com or follow us [@Cognizant](https://twitter.com/Cognizant).



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