

# Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

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## Mavro Takes Aim at Pair of Verticals

*Unique capabilities drive forays in lockbox and claims processing markets*

With the addition of some unique functionality, **Mavro Imaging** has extended its patented Smart Track™ physical document tracking technology into the lockbox market. Already able to ensure that all documents coming into a remittance operation are properly processed and managed after they are scanned, Smart Track's functionality has been extended to help users manage the mail-out process associated with lockbox accounts. Mavro, which develops software for payment and document processing, plans to leverage this functionality to drive growth in the financial services market.

"Smart Track has been part of our portfolio for a few years and it's installed in 40-50 sites overall," said George Hayduchok, president and founder of Mavro. "It utilizes barcodes to check-in document batches at various stages of processing. If a batch is scheduled for scanning and something happens, like the network or scanner chokes before the batch is completely processed, Smart Track will let the user know. This means processors don't end up with documents sitting in boxes, and eventually being shredded, that haven't been processed.

"When documents are put into boxes, a barcode wand connected to Smart Track can be utilized to track them. This enables a user to create a complete audit log, along the lines of, 'these documents were scanned on this date, put into storage on this date, and scheduled for destruction on this date.' That log can tell you who touched what documents when, which is important when complying with regulations like HIPAA and PCI DSS [Payment Card Industry Data Security Standard]."

Unique to the lockbox industry is the concept of mail backs. "After a lockbox operation finishes processing its clients' transactions, a substantial percentage of clients ask for their paper mail back," explained Hayduchok. "They have the option of receiving electronic images, but if they want the paper back, the lockbox operator is obliged to deliver it.

"In most current lockbox operations, after mail is processed, the paper for the mail backs is put into cubbies in a mailroom. It's then put into an envelope, sealed, and a label is applied. But, what if someone puts the wrong documents in the wrong envelope, or the wrong sticker on an envelope? It happens frequently and this can be a huge headache, especially if you're dealing with documents with personal information on them.

"With Smart Track, each batch of client documents and every printed report includes a tracking barcode. When the users prepare envelopes for mailing, they can scan each barcode with a wand to make sure the associated document belongs in that package. A cover sheet, which also has a barcode, is printed and includes the customer's address; it can be inserted into a windowed envelope, thereby eliminating mislabeling. The customer receives a report with a listing of all the transactions that were processed, which can be compared to the envelope's contents.

"We think Smart Track could be a huge advantage for lockbox operators and a tool they are going to love. Historically, we have sold it only with our MavBridge platform. But, we've built Smart Track with open interfaces,

so it could be licensed on its own to payment processing organizations that just want to take advantage of its patented technology."

Mavro has two patents on Smart Track. "One has to do with its ability to track physical documents in conjunction with electronic processes," said Hayduchok. "The other deals with its ability to track virtual batches, which is important in lockbox, as well as claims processing applications. For example, to increase efficiency, instead of pre-sorting all its claims mail into separate batches, based on whether they are single claims, multiple claims, or correspondence—utilizing our software, an insurance company would be able to scan all their mail in a single batch and the Mavro system will sort it electronically into virtual batches. Smart Track can then keep track of whether each of these virtual batches is processed and also maps them to the correct physical storage container."

### **Consistently strong growth**

About a year ago, we ran a story on the success Mavro was enjoying in the utilities market. At the time, Mavro had recently "fully implemented or signed contracts to provide complete processing systems for five of the largest utilities in the United States" [see *DIR* 3/6/15]. "Those systems have all been implemented, and we've added another top 10 U.S. utility to the list," said Hayduchok. "In addition, we added significant functionality to a utility we already had a footprint with. We have also added several lockbox customers, including two large operations. Two of our new lockbox systems are live, one is just going live, and another customer just signed."

These wins led to a strong year for Mavro. "In 2015 we realized 15% top line growth and 25% bottom line growth," said Hayduchok. "This isn't gigantic, but it's healthy, strong, and it has been consistent growth. From 2010 through 2015, we increased our size about three times."

Hayduchok believes that because Mavro has already penetrated so far into the utilities market, growth in that vertical will start to slow. "Going forward, we will really be looking for growth in the lockbox, as well as insurance claims processing markets," said Hayduchok

### **Integration of x-rays**

Mavro recently developed a new capability that could make its software especially attractive for processing dental and medical claims. "We've augmented MavBridge so that it can now process x-rays that are submitted with paper claims," said Hayduchok. "Our hardware partner **OPEX** has installed a camera on its device that can be used to capture x-rays. It's a supplemental camera mounted on the scanner that utilizes a white light projecting from below.



**George Hayduchok,**  
president, Mavro  
Imaging.

"X-rays are used quite often with dental claims for proof of services. Historically, insurance companies have had to scan the paper through one scanner and the x-rays with another and then marry them together later during adjudication. This can be very cumbersome. Leveraging the new capabilities on the OPEX scanner, we can create a single package of information that can flow through the entire adjudication process."

As described earlier, MavBridge's virtual batching capabilities can also be very useful in claims processing. "Claims come in in all kinds of flavors and a variety of envelopes," explained Hayduchok. "Sometimes, it can be a single page—a form all by itself. There also might be attachments or multiple claims in an envelope, or even correspondence. Rather than go through a laborious sorting process to create separate batches for each claim type, users can take advantage of Mavro's intelligent ID technology to determine what kind of document is in each envelope and which pages should be linked together.

"This means there is no sorting into piles or creating separator sheets for the end user. Our software can determine what the documents are and electronically sort them into batches and then deliver them to a downstream claims processing system. What many people don't realize is that even if you put in an automated claims processing application from one of the leading vendors, there is typically still a lot of labor related to document prepping. We combine the prep and scanning into a single step.

"Focusing on claims will be a new direction for us in 2016, and we believe it can make the jump to be one of our top three vertical markets."

For more information: <http://bit.ly/SmartTracklockbox>

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