

Preparing Insurance Carriers for a Paperless World





The Paperless Future is Here

The days of simply projecting the impact of digital transformation have come and gone — digitization is in full effect in nearly every sector.

Take the Federal government's **shift from paper checks to exclusively digital disbursements**, including benefits payments, vendor payments, and tax refunds. This move might not directly impact all industries, but it's one of many indicators that the paperless future is here — and insurance is no exception.

Going paperless isn't just about premium billing anymore. Today's leading insurance carriers are also modernizing claims disbursements to enhance efficiency, security, and the policyholder experience. From digitizing bills to paying claims faster through secure digital channels, the future is paperless across every stage of the policyholder journey.

Going Paperless in the Insurance Industry

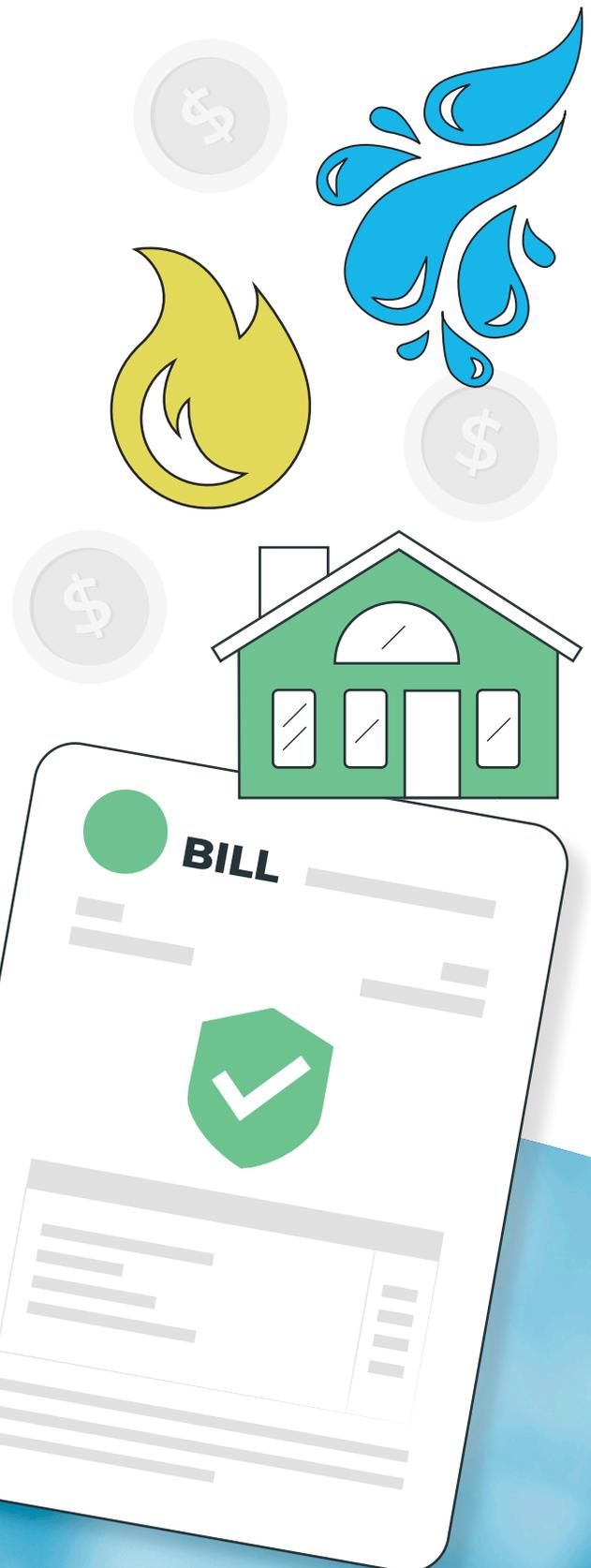
Many insurance carriers have started experiencing the benefits of automation, but there are still plenty of paper-based processes holding back maximum efficiency — especially when it comes to billing and claims.

Historically, billing and payments have relied on physical invoices and mailed checks, and claims disbursements often followed the same model. Today, both areas are ripe for transformation.

Insurers can dramatically improve operations by abandoning these costly, time-consuming practices in favor of:

- Paperless billing (sending digital invoices)
- Digital claims disbursements (eliminating paper checks)
- Self-service tools like AutoPay and e-claims portals
- Omnichannel notifications via text, email, and voice

This dual focus — modernizing both premium collections and claims payments — helps carriers conserve resources, prevent fraud, and make good on their promise when policyholders need them most.



Benefits of Going Paperless

Whether your aim is to optimize back-end processes or keep policyholders satisfied, embracing paperless billing and digital claims disbursements can offer sweeping benefits for insurance carriers and their customers.

Cut Costs

One of the most impactful benefits of going paperless is the significant cost savings. A single bill costs approximately \$1 to print, without taking the impact of inflation into account — paper prices have risen approximately **6% year-over-year** since 2020, impacting both billing and claims.

Not to mention, bills only account for a fraction of the paper notices and premium reminders most carriers send in a fiscal year.

Driving paperless billing enrollment among your policyholders can make a significant dent in this cost. Successfully encouraging this shift to paperless has already saved carriers nationwide thousands each year, freeing up funds that can be reallocated to improve infrastructure or address other organizational needs.



Each year, billers using InvoiceCloud collectively save around **\$60M**, just from driving paperless billing enrollment among their policyholders.



American Farmers & Ranchers Insurance has saved \$95k in print and mail expenses after a 10x increase in paperless billing enrollment.



Impact calculated by the following methodology of the Environmental Paper Network's Paper Calculator (<https://www.papercalculator.org/>). We estimated that each invoice uses three pieces of paper, two for the invoice itself, and one for its envelope. Data collection began in 2019.

Save Time

Manual processing slows both billing and claims. From printing invoices to stuffing envelopes to mailing claim checks, each step eats into staff time.

Improving these processes with automation frees up Customer Service Representatives (CSRs) to better serve policyholders, giving staff the time to provide personalized policyholder care or focus on high-value projects that can positively impact the company.

Digitizing these processes accelerates everything — which is particularly critical for claims. Digital disbursements, especially after catastrophic weather events, ensure policyholders get the help they need, when they need it most.

By going paperless across the board, carriers reduce overhead, empower their CSRs, and help customers rebound from loss faster. In fact, a recent **Digital Insurance survey** found that 74% of insurance professionals consider immediate digital access to funds as very important or essential for claimants. By automating claims workflows, insurers can significantly shorten the payout timeline — boosting efficiency and enhancing policyholder satisfaction during high-pressure situations like natural disasters.

By driving paperless billing and digital payment adoption, carriers have reduced call volumes by up to **69%**, and collectively saved **hundreds of hours a month** on manual workloads.



Based on a third-party study using data from the InvoiceCloud platform, third-party research, and anonymized customer data.

Prevent Delayed and Delinquent Payments

In recent years, mail-related delays have caused a rise in late and delinquent premiums. For insurers, these delays interrupt revenue and can even trigger late notices that must be printed and mailed to the “delinquent” insured.

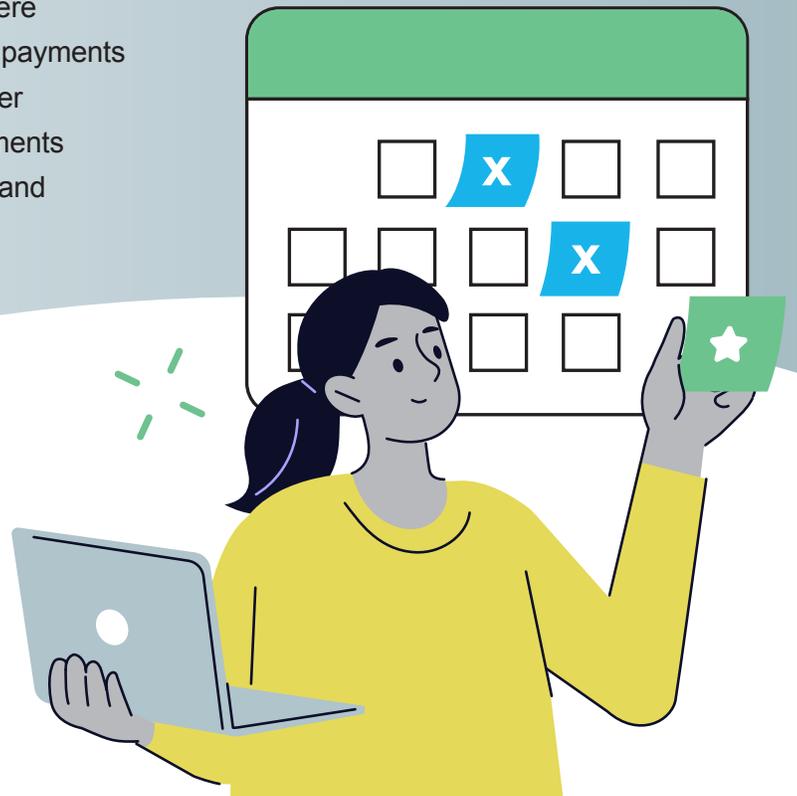
If the bill has been paid, receiving this late notice is sure to cause confusion for your policyholder. They’re likely to call your CSRs, taking up additional staff time.

The same delays can affect claims disbursement, keeping funds from reaching customers during critical recovery windows.

The real-time nature of paperless billing and claims allows carriers to reduce this extraneous work and avoid unnecessary policyholder frustration. Encouraging timely payments from customers who can pay – but were historically delayed by paper bills and mailed-in payments – means healthier revenue streams for the carrier and fewer policy cancellations. For claims, payments are fulfilled faster, improving recovery timelines and policyholder trust.



Fallon Health has seen a 24% decrease in late payments after a 9x increase in paperless billing enrollment.



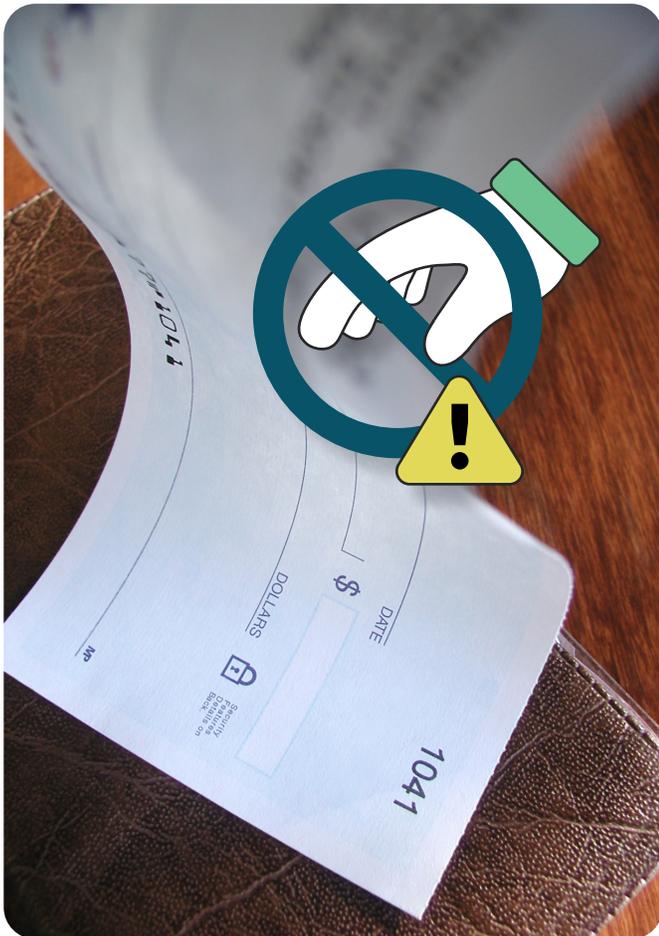
On average, InvoiceCloud customers reduce late payments by 40%.

Based on a third-party study using data from the InvoiceCloud platform, third-party research, and anonymized customer data.

Avoid Fraud and Theft

Check fraud enabled by mail theft continues to be a major concern for communities nationwide, with Suspicious Activity Reports (SAR) nearly doubling from 2021 to 2023. The **FinCEN report** indicates mail theft-related check fraud resulted in over \$688 million in suspicious activity in 2023 alone.

Digital billing and payments reduces the risk of mail theft, identify theft, and compromised payment information. Especially after large-scale disasters (when bad actors look for vulnerabilities) going paperless offers secure, encrypted transactions that protect your policyholders and your business.

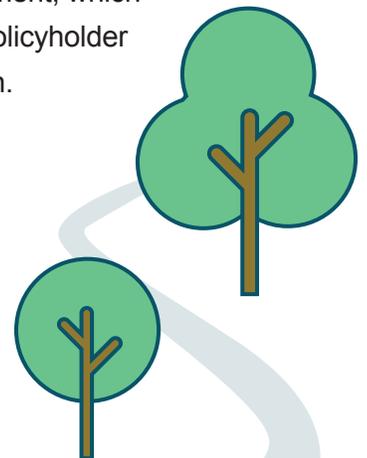


Meet Policyholder Expectations

Americans have come to expect easy, digital experiences in every aspect of their lives, including how they pay premiums and receive claim payments. Those expectations have influenced preferences among many segments of the population.

Research shows that only 4% of Americans prefer to write checks for bill payments nearly 30% are enrolled in paperless billing all their bills. There's even willingness among Americans to be automatically enrolled in paperless billing, with a quarter of survey respondents claiming they'd prefer billers opt them into paperless on their behalf.

Nowadays, there's also an increased focus on environmental conservation. **Forbes found** that 88% of consumers have favorable views of companies that support the environment, which can work favorably for policyholder satisfaction and retention.



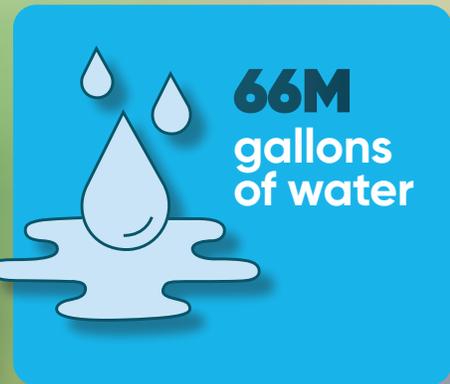
Conserve Resources

It's not just about perception — paper-based billing and claims disbursements come at the cost of deforestation and account for a high percentage of modern waste. Embracing paperless payments can have a tangible impact on conservation efforts.

Between April 2024 to April 2025 alone, InvoiceCloud policyholders saved:

Over nine years of increasing paperless invoices, our customers have collectively saved **\$60.7M** and **73,567 trees!**

Impact calculated by the following methodology of the Environmental Paper Network's Paper Calculator (<https://www.papercalculator.org/>). We estimated that each invoice uses three pieces of paper, two for the invoice itself, and one for its envelope. Data collection began in 2019.



How Prepared is Your Organization for a Paperless Future?

Reaching the milestone of 100% digital billing and claims is the way of the future. The best thing insurance carriers can do is be proactive about this inevitability, and that starts with evaluating your current digital payment offerings.

Let's evaluate how prepared your organization is to embrace paperless billing and payments.

Infrastructure and Technology

- Do you offer a range of digital payment options to policyholders for both premiums and claims?
- Is the option to enroll in paperless billing available through your payment platform?
- Does your payment platform employ necessary security measures to protect policyholder data and transactions?
- Does your payment platform have a robust infrastructure and sufficient capacity to handle an increase in digital transaction volumes without interrupting daily operations?

Policyholder Communication

- Does your billing and payments provider offer educational materials, such as FAQs, tutorials, and guides, to help your policyholders understand how to use digital options for premiums and claims disbursement?
- Are you using multiple communication channels (email, text, etc.) to reach policyholders and promote paperless billing and digital disbursement options?
- Are you prepared to highlight the environmental benefits of reducing paper usage and promoting digital transactions?

Policyholder Support

- Are Customer Service Representatives and other staff members trained to help policyholders enroll in paperless billing or use your digital payment options?

User Experience

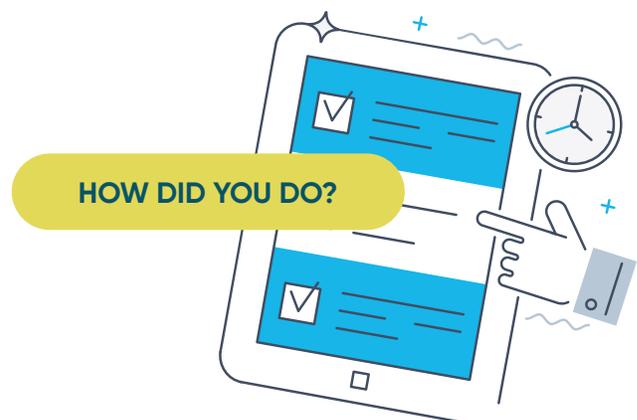
- Is the option for paperless billing easy for policyholders to find and enroll in?
- Is your payment platform designed to drive policyholders to self-service routes like digital payments and paperless billing enrollment?
- Is your current system easy for everyone to use, including those with disabilities or restricted access to technology?
- Is your payment platform compatible with mobile devices for easy access and use?

Performance Monitoring

- Does your payment platform provide metrics for monitoring your digital adoption rate and the performance of paperless billing campaigns?

Compliance and Legal

- Do your digital billing and payment processes comply with industry regulations and standards?



Your Results



0-5 There's Work to Do

Your current digital billing and payment system is not ready to support you on your journey to going 100% paperless. It's time to look for a new solution that will help you drive paperless billing and payment adoption, train your staff, and educate policyholders on the paperless options at their disposal!



6-10 Ramping Up

You've clearly started your journey to going 100% paperless, but there's still some ground to cover before you can drive significant paperless adoption. Keep the momentum going by finding a solution that can cover the gaps you see above.



11-14 You're Almost There

That 100% paperless milestone is nearly within reach, but it looks like you've hit a roadblock. Consider what you'll need to get over the finish line. Are you promoting paperless billing and digital payments to your policyholders? Is it easy for policyholders to find and enroll in these options? If you don't have time to make this final push, consider how you can automate your processes to drive paperless enrollment on your behalf.



Step into the Paperless Future

If your current system can't adequately support your team's journey to going paperless, it's time to consider what you need to reduce your intake and output of paper checks.

This transition might seem like an overwhelming undertaking. That's why InvoiceCloud provides the **essential support** insurance carriers need to make this transition seamless, from updating your payment processing systems to training and beyond.

If you're wondering whether now is the right time to make a change, connect with our team of product experts to see if InvoiceCloud is the right solution for your organization.

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