



Germania Insurance Achieves Straight-Through Processing With Digital Escrowed Premium Payments

Committed to serving Texans for over 125 years, Germania Insurance offers property, auto, and life insurance to thousands of residents across the state. Recognized by Forbes on its 2023 America's Best Home Insurance Companies list, Germania is the largest farm mutual insurance company in Texas and a leading choice for independent agents.

Background

- There are close to 87 million mortgage accounts in the U.S.¹
- Approximately 80% of these accounts include an escrow for property taxes and homeowners insurance², resulting in millions of paper checks being mailed annually from lenders to insurance companies to cover homeowner insurance premiums.
- Processing escrowed homeowner insurance payments is notoriously manual, error-prone, and cumbersome across the insurance industry.

The Challenge

In 2025, Germania Insurance faced the pressing need to streamline its escrowed property and liability insurance premium processing. Most of these premiums were received from loan servicers as bulk (bill list) paper checks with little to no remittance data, creating a



About Germania Insurance

Founded in 1896, Germania Insurance provides auto, home, and life insurance for thousands of Texans. It is the largest farm mutual insurance company in Texas and one of the top companies for independent agents. Germania is a proud Texas company, exclusively providing protection and insurance services for Texans for more than 125 years.

For more information, please visit <http://germaniainsurance.com>.



"Our deployment was quick and easy, with virtually no effort required on our end. The go-live experience was seamless, and our team loves it. 92% of our escrowed insurance premium payments are now automated, and that percentage will only increase. We're thrilled! Everything runs smoothly on its own — we hardly need to think about it anymore."

— Christie Grimm, Business Technology Senior Product Owner-Billing, Germania Insurance



labor-intensive and cumbersome workflow. Each payment line item had to be manually entered into the system. Any discrepancies triggered a separate exception handling process, further complicating the workflow. This manual effort — spanning mail handling, policy validation, payment reconciliation, and exception management — resulted in significant delays, increased error potential, and operational strain.

Germania needed to eliminate:

- Bulk escrowed insurance premium checks
- Paper handling and manual processes
- Mail services causing delayed and lost payments
- Manual payment reconciliation

The Solution

Digital Straight-Through Processing Over Lockbox Services

As escrowed premium volumes grew, Germania began exploring options to modernize this workflow. While outsourced lockbox services were considered, they were rejected due to high costs, limited long-term efficiency gains, and their outdated nature, which conflicted with the insurer's digital-first approach. Instead, Germania chose to pursue a forward-looking, paperless solution designed to enable straight-through processing and seamlessly align with its optimized digital inbound premium workflows.

Why Germania Chose Escrow Premium Pay (EPP)

As an existing One Inc client already utilizing the PremiumPay® and ClaimsPay® platforms, Germania participated in an EPP discovery and Return On Investment (ROI) discussion with One Inc to explore a digital alternative to their manual process.

Escrow Premium Pay stood out to Germania because it:

- Harnessed One Inc's vast and established mortgagee network that guarantees digital adoption by the loan servicer.
- Leveraged a prebuilt integration between mortgagees and One Inc to enable rapid deployment and user acceptance testing (UAT) in days, with minimal development required.
- Enabled digital settlement into bank accounts already in use.
- Delivered real-time pre-payment validations to improve accuracy and post-payment confirmations to reduce troubleshooting and inquiries.
- Eliminated all bulk (or bill list) check payments.
- Eliminated paper handling and manual reconciliation processes.
- Eliminated risk associated with mail services (e.g., delayed/lost mail, mail theft/fraud).

Escrow Premium Pay provided a digital first alternative aligned with Germania's broader strategy to modernize payments in a way that was both operationally efficient and financially sustainable.



Going Live with Escrow Premium Pay (EPP)

On September 2, 2025, Germania went into production with Escrow Premium Pay (EPP), a use case available as part of their existing PremiumPay deployment. The implementation took just four weeks, leveraging existing PremiumPay infrastructure and bank configurations. This enabled Germania to gain immediate digital access to One Inc's mortgagee network of more than 1,000 lenders by leveraging One Inc's single connection. Now live for seven months, Germania has played a key role in validating the solution in a real-world production environment while helping inform future enhancements.

Early Results, Immediate ROI, and Strong Operational Impact

Digital Adoption & Accuracy

92% of escrowed premium payments processed digitally through straight-through processing (expected to increase to **~96%** with an upcoming enhancement).

Operational Efficiency

- Employees have been reallocated from manual check processing and reconciling to higher value work, substantially easing staffing burden and delivering immediate value.
- All bulk checks and bill lists are eliminated.
- Payment reconciliation is simplified with individual digital payment transactions.
- Payment accuracy is improved with pre-payment validation.
- Payment posting and post-payment confirmation are automated.

Working Capital & Risk Reduction

- Premium payment is now received **10.5 days faster on average**, improving access to working capital.
- Mail services risk (delayed/lost payments and check theft/fraud) is eliminated.

Looking Ahead

While Germania continues to evaluate long term financial impact and revenue attribution, early results demonstrate substantial improvements in efficiency, speed, and control. As enhancements are deployed, Germania expects further gains in accuracy and straight through processing.

By serving as one of One Inc's first Escrow Premium Pay clients, Germania has helped modernize a historically complex and outdated workflow — while shaping the future of digital escrowed premium payments for the insurance industry.



Sources

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2. PRNewswire – <https://www.prnewswire.com/news-releases/annual-escrow-awareness-survey-reveals-impact-of-rising-property-taxes-and-homeowners-insurance-302355903.html>