THE STATE OF MAIL

NAVIGATING NEW MAILING SYSTEMS AND USPS UPDATES IN 2024

HEALTHCARE INDUSTRY EDITION

INTRODUCTION

Welcome to "The State of Mail" – where we dive deep into mailing concepts to understand how this traditional communication service is continuously managing to stake its claim in the digital revolution. Today's mailing exploration focuses on the 2024 transition to the new USPS-mandated IMI standard, and the opportunities this brings to think outside the box on your mailing fulfillment and customer communication strategy.

Let's take a moment to appreciate the unsung hero of our daily lives: good ol' reliable mail. Think about it – how often do we pause to acknowledge the sheer dependability of that familiar postbox or the comforting thud of mail hitting the doormat?

For years, mail has been the quiet backbone of communication, seamlessly connecting us to loved ones, businesses, and the world at large. It's been the constant we've taken for granted, never doubting its presence because, well, it's pretty much always been there.

Enter a game-changer: the Intelligent Mail Indicia (IMI) standard. It's like that unexpected plot twist in your favorite book – suddenly, everything you thought you knew about mail is getting a major upgrade. Businesses everywhere are grappling with this monumental shift, and let's be real, it's probably the biggest shake-up in the mail world since... well, who knows when?

In this guide, we're diving headfirst into this new world of IMI compliance. From deadlines to the nitty-gritty implications for mailing operations, we've got you covered. Business owners everywhere, buckle in! We're about to take an insightful stroll through The State of Mail – where change is in the air, and the wind is ready to spin you on your heels. Let's see how businesses are responding to this historic shift with USPS and what it means for the future of your mailing operations.

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IMI COMPLIANCE 101

Alrighty, folks, let's get down to brass tacks and wrap our heads around this whole IMI compliance thing. Picture this: you've got your trusty mail system chugging along, doing its thing day in, day out. But now, there's a new sheriff in town – the Intelligent Mail Indicia (IMI) standard.

SO, WHAT EXACTLY IS IMI COMPLIANCE?

Think of it as the rulebook for modernizing your mailing game. IMI compliance means following the guidelines set forth by the United States Postal Service (USPS) to adopt the IMI standard on your mailpieces. It's like giving your old-school postage stamp a digital makeover, complete with all the bells and whistles of the 21st century.

Why does it matter? Well, imagine trying to navigate a bustling city without a GPS – it's chaos, right? IMI compliance is like giving your mail system a GPS, guiding each piece with pinpoint accuracy from sender to recipient. Plus, it streamlines the whole shebang, making postage payment, tracking, and delivery a breeze.

The kicker? IMI compliance isn't just a suggestion; it's the new norm. With deadlines looming and businesses scrambling to adapt, understanding IMI compliance is like learning the language of the future.

Our first stop is to break down the ins and outs of IMI and get you up to speed on what any of this means.

THE TECHNICAL STUFF:

Intelligent Mail Indicia (IMI): IMI stands for Intelligent Mail Indicia, and it's simply the barcode technology stamped onto mail to sort and track it through the post office. This 65-bar Postal Service barcode is printed on envelopes, typically near the recipient's address.

The **Intelligent Mail barcode (or IMb)** is unique in its ability to encode up to 31 digits of mailpiece data into 65 vertical bars using a 4-state symbology. The 65 bars encode a string of 31 digits, which are divided into two parts: a 20-digit tracking code and an 11-digit routing code (when required). This coding allows for precise tracking and sorting, enhancing the accuracy and efficiency of mail processing.

The USPS is switching away from its outdated **Information-Based Indicia (IBI)** technology to this modernized IMI standard. Key differences in IMI technology include more transparent transaction data, automation of back-office operations, and enhanced security features such as state-of-the-art data encryption.

IMI technology provides users with **Federal Information Processing Standards (FIPS)** 140-2 security, recognized both within and outside the United States as the best security standard for protecting sensitive mailpiece data and safeguarding against tampering and fraud.

NEW IMI STANDARDS FOR COMPLIANCE:
IMPROVEMENTS FROM IBI TECHNOLOGY

» Transaction-level data for each mail piece, every single day.

» Support for automated refunds, refund authorization, and fraud detection.

» Restrictions on Keyed-In-Postage (KIP) to support proper USPS mail rating and classification.

» End mailer information for Federal Government compliance.

» Improved indicia constructs to support Fraud Detection, Readabilty, and Indicia Management.

» Supported tracking and management of reprinted indicia.

» Greatest security strength in mailing to protect data and deter current threats: FIPS 140-2 Security Level 3+ (EFP/EFT).

» Improved security for Rate Table, Log Files and Data Exchange Interface.

» Support for more accurate calculations on short-paid and over-paid postage.

BENEFITS OF THE NEW IMI STANDARD

Next up, let's talk about the perks of jumping on board with the new IMI standard. Trust us, there's a whole lot to love about this shiny new upgrade.

1 AUTOMATIC ACCURACY

Even the most eagle-eyed among us can make mistakes when it comes to manual data entry. But with IMI, the postage is automatically calculated after you input the required Service Class. Plus, with IMI capturing more data and providing USPS with real-time updates, you can rest easy knowing you're always using the correct amount of postage. Say goodbye to costly errors and returned mail due to insufficient postage – IMI ensures you're always on the money.

2 STRONGER SECURITY

IMI adheres to the guidelines set by the Federal Information Processing Standards (FIPS), which are developed and maintained by the **National Institute of Standards and Technology (NIST)** to set the standards for data encryption and protection of federal IT systems. With these native security standards, you know your data has ironclad encryption and is transmitted securely, going to or from the postage meter.

3 MORE CONVENIENCE

With IMI, automatic updates are the name of the game. The USPS requires systems with IMI to connect to the manufacturer's servers every 72 hours, ensuring you're always up to date with the latest rate changes and modifications. No more scrambling to manually update your meter – IMI does the heavy lifting for you.

4 GREATER CONNECTIVITY

Forget about dedicated phone lines – IMI-enabled systems use dedicated LAN connections for a constant, reliable connection. This means faster updates, quicker postage refills, and seamless integration into your existing systems.

The benefits of the new IMI standard are as clear as day. From accuracy and security to convenience and connectivity, IMI is paving the way for a brighter, more efficient future in the world of mailing operations.

IMI COMPLIANCE DEADLINES YOU NEED TO KNOW

The USPS isn't messing around when it comes to implementing changes to ensure the adoption of Intelligent Mail Indicia standards across all mailing systems. So, here's what you need to know to stay ahead of the game.

DECERTIFICATION DEADLINE: JUNE 30TH, 2024

Circle this date on your calendar – June 30th, 2024. On this day, all postage meters and mailing systems that do not meet the USPS IMI compliance standards will be decertified faster than you can say "snail mail." You won't be able to add postage funds or download software updates, and your mailing operation will be considered non-compliant.

If your current postage meter is an Information Based Indicia (IBI) device, it's past time to start thinking about upgrading to one that is IMI-compliant. And don't procrastinate – once June 30th rolls around, the clock is ticking.
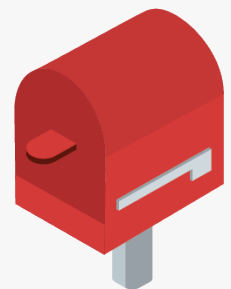
GRACE PERIOD UNTIL: DECEMBER 31ST, 2024

The USPS is offering a grace period until December 31st, 2024. During this time, you can still use your existing postage meter without fear of immediate repercussions. However, come January 1st, 2025, your machine will officially be declared inactive if it doesn't meet the new requirements.

So, what does this mean for you? Well, it's time to start planning your upgrade. Whether you're purchasing or leasing a new IMI-compliant machine or making the switch to a software solution, make sure you have a plan in place to avoid any disruptions to your mailing operations.

FUND USAGE: POST-DECERTIFICATION

Even though your decertified machine can still be used until the end of 2024, you won't be able to add any additional funds after June 30th, 2024. That means that once the clock strikes midnight, it's game over for fund usage on non-compliant machines.

And mark your calendars for June 30th, 2025, too – after this date, any postage indicia printed by decertified mailing systems will be useless. So, be sure to submit your refund requests for all unused postage before this deadline to avoid getting left in the lurch.

IMPACT ON MAILING OPERATIONS WHEN SWITCHING TO A NEW MAILING SYSTEM

The transition to IMI compliance is a major shift in mailing operations, but, when planned for ahead of time, you can minimize downtime and avoid a close call with regulatory consequences.

CHANGES IN MAILING PRACTICES

Understand that you'll be saying goodbye to the old and hello to something entirely new. Installing your new mailing system may come with a learning curve, and mastering the ins and outs of new technology takes time and effort. You may need to figure out a new workflow for processing mail and preparing documents, especially if it gets integrated with a new software system too. Be patient through the operational growing pains of a redesigned operating system, and rest assured that any hiccups will soon be a thing of the past.

FUNCTIONAL REQUIREMENTS FOR OPERATING AN IMI-COMPLIANT MAILING SYSTEM

Transitioning to IMI compliance involves familiarizing yourself with new protocols, procedures, and best practices to streamline mailing operations, ensure compliance with regulations, and safeguard mailing data. Whether you're using desktop postage meters or high-volume mailing systems, if you opt for equipment of a different size, you may need to reconsider where your new machine will be located and who will be able to operate the new technology. You'll also need to make sure you can adjust your network connectivity for a dedicated LAN connection since IMI-compliant machines no longer use phone lines.

INTEGRATION WITH NEW OR EXISTING SYSTEMS

While you're already updating your machines for IMI compliance, you may discover an opportunity to take it a step further with new software integrations. It's a surefire way to make your mailing operations work smarter, not harder, and get ahead of the curve during a time of change.

Software integrations in mailing systems support a variety of mailing, shipping, and accounting tasks, so choosing a software solution to fit your business specialties takes careful consideration. With thoughtful change management, system design, and careful implementation, print and mail productivity can be taken to new heights.

For some, transitioning to an IMI-compliant machine may not require more than switching out their machine. In that case, take a close look at your current systems and workflows to determine which devices will most easily integrate into the infrastructure you

POSSIBILITY OF OPERATIONAL DOWNTIME

If you miss USPS's deadline, your postage meter will shut off. You will be unable to meter and send your business mailings, which would cause issues for any business that relies on business-critical documents in their major functions.

Non-compliance can also lead to delayed or misrouted mail, putting a serious dent in your business's reputation and customer satisfaction. This could also lead to legal issues or fines if mail containing protected personal information landed in the wrong hands as a result of non-compliant actions.
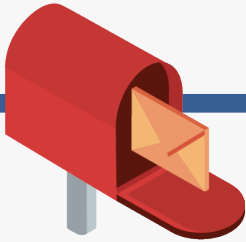
TOP MAILING SOLUTIONS FOR IMPROVED CUSTOMER COMMUNICATION AND DELIVERY IN 2024

Okay, so you're ready to kick your old office machine to the curb. Now what?

From new machines and software to outsourcing or some combination in-between, there's a solution for everyone in this new era of mailing operations.

MAILING SYSTEMS THAT MEET THE IMI STANDARD

The most common solution for anyone needing to switch from a non-compliant mailing system is to replace their current setup with compliant hardware. This is your standard postage meter upgrade from what you had before, except it uses the required technology to meet the latest USPS IMI requirements. It's a straightforward choice that gets the job done with minimal change.

SOFTWARE SOLUTION FOR MAIL, PRINT, AND DOCUMENT MANAGEMENT

But what if you need something more than a mailing system to improve your operation? Enter software solutions for mail, print, and document handling. This involves transitioning to digital means of managing and delivering your customer communications. With modern management software at your fingertips, you can streamline your workflows, improve efficiency, and transform your mailing operations – and manage it from anywhere, reducing the need for in-office equipment handling.

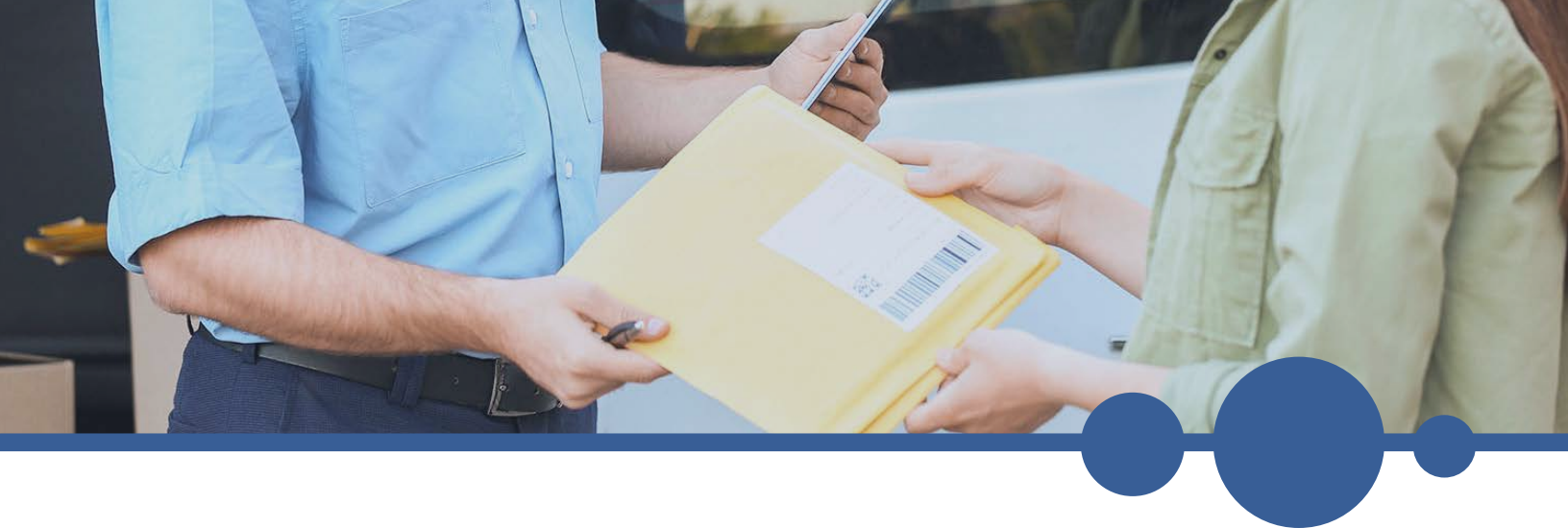## HYBRID CUSTOMER COMMUNICATION SOLUTION

But what if neither just a mailing system nor strictly software works for your current business layout in this digital-first era? Many are opting for a custom, hybrid solution of both hardware and software, resulting in a transformative approach to customer communication. Upgrading to a manageable mailing system and integrating it with remote-access software systems offers flexibility and the capability to deliver what is needed and when, while maximizing output and minimizing the resources traditionally needed to produce mail-ready documents.

OUTSOURCING PRINT AND MAIL NEEDS

Sometimes, it just makes sense to hand it off to the pros. By outsourcing your print and mail needs to an experienced print service provider or mail house, you can free up valuable time and resources while knowing that your mailings are handled with care and precision. Expert print-mail service providers already know the ins and outs of compliance, so when outsourcing you don't have to worry about the impact of changes in your in-house mailing operations.

WHEN SHOULD YOU TRANSITION TO A NEW MAILING SYSTEM?

Timing is everything when it comes to changing up business operations, especially when it's due to legal or regulatory reasons. Let's cover when and how to make the switch to ensure a smooth and hassle-free transition for your business.

1 DETERMINE IF YOUR MACHINE IS IMI-COMPLIANT (OR NOT)

The first step is determining if your machine is IMI-compliant or not. Some models have a USPS-approved extension beyond the 2024 service withdrawal deadline based on factors like the age of the machine and its recency in coming to market. It's best to work with an IMI-certified vendor who knows what these models are and can provide the proper insight into your business case.

By partnering with an IMI-certified vendor, you can get expert guidance on whether your machine is compliant or not and explore the best solutions for your business. Don't leave it to chance – knowing the status of your equipment is the first step towards a successful transition to meeting the compliance standard.

Partnering with an experienced vendor is also essential because they are the ones who will provide the necessary hardware to meet regulatory standards, as well as offer expertise on specialized mail and document workflow solutions. These vendors have done the legwork to guarantee machine compliance and understand implementation – you just have to give them the details and let them take it from there.

2 CONSIDER YOUR DEADLINES

Transitioning to IMI compliance involves familiarizing yourself with new protocols, procedures, and best practices to streamline mailing operations, ensure compliance with regulations, and safeguard mailing data. Whether you're using desktop postage meters or high-volume mailing systems, if you opt for equipment of a different size, you may need to reconsider where your new machine will be located and who will be able to operate the new technology. You'll also need to make sure you can adjust your network connectivity for a dedicated LAN connection since IMI-compliant machines no longer use phone lines.

3 ADD POSTAGE FUNDS BEFORE DECERTIFICATION DEADLINE

If you find yourself unable to switch your equipment in time, don't panic. You can still add postage funds to your existing machine before the decertification deadline on June 30th, 2024. This ensures that you can continue using your machine until the end of the grace period while you work on transitioning to a system that meets the IMI standard.

4 TAKE ACTION NOW
DON'T WAIT UNTIL THE END OF THE GRACE PERIOD!

It's essential to emphasize that waiting until the end of the grace period is not advisable. Once December 31st, 2024 rolls around, outdated postage and mailing machines will truly become inactive if they are not IMI-compliant. So, it's best to make the switch sooner rather than later to avoid any disruptions to your mailing operations.

DISCOVER EXPERT GUIDANCE ON COMPLIANCE AND CUSTOM MAILING SOLUTIONS

WHAT IT LOOKS LIKE WITH A PROFESSIONAL PRINT-MAIL PROVIDER LIKE LINEAGE ACCELERATE

Lineage provides a dedicated team of experts to assist you throughout the entire process, starting from the initial assessment and leading to achieving full IMI compliance. We understand the intricacies and nuances of USPS's IMI standard and are committed to supporting you through every step so that you meet all regulations.

Furthermore, we conduct a thorough analysis of your business details to customize workflow solutions that are specifically designed to meet your goals. At Lineage, we have empowered over 15,000 businesses to expand the possibilities of their mailing creation and distribution. We blend traditional print and mail practices with the latest in digital communication to pioneer strategies through customer communication and omnichannel distribution.

Our team offers expertise, knowledge, and know-how to help you navigate challenges effectively. We provide best practices and tools to leave your business in a better position than when we found it. Lineage is a partner in achieving IMI compliance and optimizing mailing operations for success.

CONCLUSION

EMBRACING TODAY'S STATE OF MAIL WITH A NEW MAILING SYSTEM AND IMI COMPLIANCE STANDARDS

We hope you've enjoyed this stroll through the State of Mail and our deep dive into how it has evolved through IMI compliance.

As we wrap up this guide, it's clear that IMI compliance offers more than just regulatory compliance – it's an opportunity to modernize and streamline your entire mailing operation. From upgrading your machines to integrating with new software solutions, the options are endless.

With deadlines looming, it's time to roll up your sleeves and start planning your transition. Give yourself the time to explore innovative solutions, evaluate new technologies, and implement changes to your business stress-free. Remember, the sooner you make the switch, the smoother the journey will be.

So, whether you're a small business or a big player in the corporate world, now's the time to embrace the state of today's mail and step toward a new era of mailing operations. Here's to a world where every envelope is delivered with speed, accuracy, and a touch of modern magic.

Learn More About Accelerating Your Business With Lineage Here

LINEAGE
ACCELERATE

Lineage Accelerate, where speed to market is your competitive advantage.

To learn more about business workflow solutions, omnichannel communication strategies, and the best ways to transform your business-critical documents from creation to distribution, visit **www.acceleratewithlineage.com**.