



Roundtable Report

The path to improved claims experience and efficiency

In partnership with

Vitesse



The path to improved claims experience and efficiency

As the primary ‘moment of truth’ in which customers interact with insurers, getting the claims experience right is paramount. Yet only 28% of global insurance executives surveyed by Insurtech Insights rated the claims experience as ‘excellent’ or ‘good’, with more than 70% giving claims experience an ‘average’, ‘poor’ or ‘very poor’ rating.

Not surprisingly, claims are the focus of intense innovation. Data and analytics, AI and automation are all helping to improve customer experience and efficiency, often at the same time.

To find out more, Insurtech Insights and Vitesse hosted a roundtable with ten claims leaders from across a mix of entities, all with invaluable experience in claims. In this report we capture the main themes from the conversation.

With thanks to:



Alfred Beil
Group Chief Medical Officer and Head of Claims & Underwriting, AXA Group



Patrice Fray
Head of Professional Lines Claims and Strategic Claims Operations, AXA XL



Tom Helm
Head of Claims Consulting, Willis Towers Watson



Bob Crozier
Chief Architect, Head of Enterprise Architecture & Global Head of Blockchain, Allianz



Neil Harrison
Global Chief Claims Officer, Aon



Phil McGriskin
CEO, Vitesse



Grace Hanson
Chief Claims Officer, Hippo



James Russell
Head of Claims Transformation, esure



Ian Thompson
Chief Claims Officer, Zurich



Charlie Wendland
Head of Claims, Branch Insurance



Thought Leadership Highlights



Grace Hanson | Chief Claims Officer, Hippo

On why a good claims experience is so important:

“At one insurer I worked at previously, speed to payment was the number one predictor of NPS, and the number two predictor was total cycle time.”



Ian Thompson | Chief Claims Officer, Zurich

On automation freeing up time

“We’ve deployed AI on medical claims that means that reports that would’ve taken five hours to read can be assimilated in 10 to 15 minutes by an adjuster.”



Bob Crozier | Chief Architect, Head of Enterprise Architecture & Global Head of Blockchain, Allianz:

On why a good claims experience is so important:

“In six months we’ve had a million blockchain interactions between Allianz entities in claims settlement. That’s a huge efficiency story.”



Charlie Wendland | Head of Claims, Branch Insurance

On how automation contributes to customer experience:

“Data has allowed the industry to shift to more proactive claim handling models which can feel really good from a customer standpoint. For instance, telematic data pushed to the adjuster at the time the claim is reported.”



Tom Helm | Head of Claims Consulting, Willis Towers Watson

On data and analytics providing decision support for claims handlers:

“The more you can leverage advanced analytics to make that easy for them, give them a richer view of what’s going on not just in their portfolio, but across the entire portfolio of the country or the line of business that they’re working in, the more valuable it becomes, providing them with decision support and enabling higher-quality outcomes.”



Phil McGriskin | CEO, Vitesse

On the benefits of automated payments:

“If you’ve got delegated authorities, automating the way that money moves means you’ve never got a delay in the funds being made available for a claim.”

Improving claims drives better financial outcomes

Historically seen as a cost to be managed, insurance claims are now seen as an important engagement opportunity, an experience that if delivered well helps to retain customers and attract new ones via positive word of mouth.



James Russell, Head of Claims Transformation, esure

“I used to work with a roadside assistance company. They knew that someone breaking down was a moment of truth, because a good experience getting rescued from the side of the road was a big influence on retention.”

It is a step too far to suggest that most insurers now welcome claims, but there is evidence that claims provide an excellent chance to turn customers into advocates.



Grace Hanson, Chief Claims Officer, Hippo

“At one insurer I worked at previously, speed to payment was the number one predictor of NPS, and the number two predictor was total cycle time.”

Of course, the impact of the claims experience on customer outcomes such as satisfaction and retention can be very different by line. In a low-margin, price-driven category such as auto, a good claims experience may not prevent customers from shopping around at renewal time. At the other end of the spectrum, for example in relationship-driven commercial lines, providers compete primarily on the basis of the service they offer.



Patrice Fray, Head of Professional Lines Claims and Strategic Claims Operations, AXA XL

“The time to build a relationship with the client if before they have the claim. So getting ahead of the claim experience and getting to know the customer beforehand is key.”

No one size fits all

There are several routes to improving the claims experience:

- 1 **Speed of processing – getting to settlement more quickly**
- 2 **Accuracy – ensuring losses are ‘made good’ whilst minimising leakage**
- 3 **Communication – keeping the customer informed of progress**

While the fundamentals are the same, the approach varies massively by line and by claim type.



Ian Thompson, Chief Claims Officer, Zurich

“We need to be clear that there is no single, homogenous tech ‘solution’ for claims delivery. What your brand promises, how you position yourself, and the demographics of your customer base are the most determinants of where investments should be prioritised.”

A recurring challenge in general lines, particularly when purchased direct, is clarifying what is and what is not covered in the policy and if a claim is valid. Customers are often unclear about their coverage requiring assessors to step in.



Neil Harrison, Global Chief Claims Officer, Aon

“In the corporate space it is the job of the broker or agent to explain coverage at the point of sale. Online sales are very different. When people are less likely to read the policies they buy, I struggle to see how that can be automated. For me that is always a human discussion.”



Alfred Beil, Group Chief Medical Officer and Head of Claims & Underwriting, AXA Group

“Then you need to make sure that the claims are coded right so that at a later stage you can connect with underwriting information. This doesn’t always happen meaning will never learn from your claims.”

On the health side, high claims volume and technical complexity combined with the need to process a large amount of unstructured data (e.g. handwritten prescription notes) creates substantial overhead which today is still mostly handled manually by humans. The growing breadth of the health portfolio increases the difficulty for assessors, who need more technical expertise than ever.



Alfred Beil, Group Chief Medical Officer and Head of Claims & Underwriting, AXA Group

“Critical illness started maybe 30 years ago, to cover basic needs. Now you have policies which sometimes cover 200 diseases and more, many of them very complicated to understand.”

Customer expectations and process priorities vary between simpler, lower-value claims compared with more complicated, higher-value ones.

Lower-value claims: Speed is of the essence. Less customer interaction is required and there is potential to automate much of the customer journey.

Higher-value claims: Accuracy is paramount, with an opportunity for human experts to add value and for transparent communication to reassure customers.

Where automation can help

While there will almost always be a need for humans in the journey, particularly for higher-value claims, there are multiple ways in which automation improves customer experience, efficiency and the lives of claims professionals.

Image recognition is making a huge impact in both personal and commercial P+C lines, with images submitted by customers reducing the need for assessors to be on site, speeding up the process and improving communication between customer and insurer. Optical Character Recognition (OCR) and Natural Language Processing (NLP) have many uses, for example to speed up the processing of medical forms and invoices in health lines.



Ian Thompson, Chief Claims Officer, Zurich

"We've deployed AI on medical claims that means that reports that would've taken five hours to read can be assimilated in 10 to 15 minutes by an adjuster."

Thanks to the normalisation of virtual meetings since the pandemic, some insurers have seen increased take-up of video calls in the claims journey which is often quicker and more convenient than face-to-face meetings.



Ian Thompson, Chief Claims Officer, Zurich

"In Germany, we've offered remote repair assessment for quite a while. Initially we were only getting 20 or 30% customer acceptance. During the pandemic that went up to over 60%. It's a demonstration of the value of giving customers more choice, not forcing technology at them. Remote video interaction allows multiple parties to be involved. In a property claim for example you can have contractors, the intermediary, the customer and others involved in the dialogue at the same time."

While less complex claims may lend themselves to straight-through processing, for the majority of claims some degree of human intervention is still appropriate. Therefore, the primary role of technology in claims is to support claims assessors and customer-facing teams. By automating administrative tasks such as data entry, claims teams are freed up to add value to decisions and to spend time with customers.



Charlie Wendland, Head of Claims, Branch Insurance

"There's still a lot of administrative burden on the adjuster. If you can relieve that burden through automation, you optimise for completion for higher-value claim tasks including delivering a higher level of care to the customer in their moment of greatest need."

Data and analytics offer decision support for claims professionals to enhance both speed and accuracy of settlements.



Tom Helm, Head of Claims Consulting, Willis Towers Watson

"The claims handler might have anywhere between 50 and 300 different claims to manage at any one time. The more you can leverage advanced analytics to make that easy for them, give them a richer view of what's going on not just in their portfolio, but across the entire portfolio of the country or the line of business that they're working in, the more valuable it becomes, providing them with decision support and enabling higher-quality outcomes."



Grace Hanson, Chief Claims Officer, Hippo

"The points in time where the customer is the most vulnerable and needs the most handholding during the claims process are when there are gaps in their information about

Where automation can help

resolving their issues.”

Integration with CRM systems and automation during FNOL means the claims journey is less arduous for the customer and enables a more transparent and empathetic path to settlement.



Charlie Wendland, Head of Claims, Branch Insurance

“Data has allowed the industry to shift to more proactive claim handling models which can feel really good from a customer standpoint. For instance, telematic data pushed to the adjuster at the time the claim is reported. Armed with these relevant claim data points captured at the time of loss, the adjuster’s initial call to the customer is less about investigation and more about confirmation.”



Bob Crozier, Chief Architect, Head of Enterprise Architecture & Global Head of Blockchain, Allianz

“Relatively simple machine-learning algorithms to do the first bit when we receive your notification of loss. And we know that it’s accurate. Here’s our acknowledgement of that, and a ping on a messaging app or an email. It doesn’t need to be a human letting the customer know that we have their back, that we’re here and we’re working on it. The NPS scores on our claims process have gone through the roof because it’s no longer four days before you acknowledge my claim.”



Ian Thompson, Chief Claims Officer, Zurich

“How can we leverage a single view of the customer so that we’re not asking the same questions twice? How can we ensure our teams understand customer loyalty

and the products they may have with us? There’s a lot of benefit to be derived from delivering knowledge to claims handlers so that they can provide the tailored service our customers are looking for.”

Outside of insurance it is now customary for journeys and touchpoints to be tailored to individual customer preferences. Tiering levels of service based on the customer’s value to the business is also common practice in many sectors. Mass-personalisation techniques widely adopted elsewhere will eventually make their way into insurance claims, albeit regulatory requirements may limit their scope compared with non-regulated businesses.



Charlie Wendland, Head of Claims, Branch Insurance

“There’s an opportunity to create different claim paths, while still being compliant with relevant regulatory controls. We should be aware of the customer acquisition channel. It’s understanding that if someone purchases through an agency they will most likely want to speak to a human and those who purchase online will probably expect more of a digital experience.”



Grace Hanson, Chief Claims Officer, Hippo

“Voice analytics can identify customers who are more vulnerable than other customers. I recently had an interesting experience with both American Express and Fidelity where I was routed to a preferred-customer team. Clearly, they’re offering different experiences to different customer bases. I think we need to go there in insurance as well, but how we go there is a delicate matter, depending on the customer profile (such as vulnerability), the product type, the regulatory environment, and your ultimate business objective.”

Overcoming silos

It is not uncommon for claims to involve multiple entities both internally and externally. The inevitable fragmentation this causes can create problems which impair efficiency and customer experience.

At the administrative level, the amount of validation and reconciliation required when passing information between parties is significant. Blockchain and standardised payment methods are emerging as powerful tools to accelerate the speed and scale of processing.



Bob Crozier, Chief Architect, Head of Enterprise Architecture & Global Head of Blockchain, Allianz

“We determined that if you had a problem pattern that had not been solved, a reconciliation problem, duplicate or mirror process problem, or an audit trail problem, a combination of those three or two out of the three would say it’s worthwhile looking at a blockchain solution. In six months we’ve had a million blockchain interactions between Allianz entities in claims settlement. That’s a huge efficiency story.”



Phil McGriskin, CEO, Vitesse

“If you’ve got delegated authorities, automating the way that money moves means you’ve never got a delay in the funds being made available for a claim. That’s an area well suited to automation because it’s not very human. There’s no emotion in it. It then frees you up to spend more time on the human aspects of the claim.”

Having data reside in different systems and in many cases, different organisations is a considerable challenge and not one that is likely to be solved soon. The issue is especially difficult in health lines given the sensitivity of patient data.



Alfred Beil, Group Chief Medical Officer and Head of Claims & Underwriting, AXA Group

“With the possible exception of the National Health Service in the UK, the global healthcare system is dramatically fragmented. It’s extremely difficult to connect information. And then you have the issue of privacy and data protection.”

In addition to systems fragmentation, insurance companies have not always embraced open collaboration particularly when a competitive threat is perceived to exist. This becomes visible to the customer in terms of delays and duplication of effort.



James Russell, Head of Claims Transformation, esure

“I remember a case years ago in a commercial lines injury claim. The handler asked the broker the contact details of the facilities manager in the warehouse where the accident happened, so that they could have a conversation about risk control. The claim was covered, it got paid, but they wanted to talk about prevention. The broker wasn’t willing to share the details with the claims handler. There was probably a concern that the insurer would leapfrog the broker and talk to the end client. We’ve got to get past that type of dysfunction.”



Neil Harrison, Global Chief Claimd Officer, Aon

There’s a fundamental difference between disintermediation of a task and disintermediation of a relationship. We as brokers are huge fans of task disintermediation, so we can spend more time on the value-add elements of the claim process.”

Five ways in which the claims game is changing

- 1** AI technologies such as OCR and NLP are taking away the administrative burden of data entry
- 2** Analytics offer decision support to claims handlers, improving speed and accuracy of settlements
- 3** Validation tools such as blockchain, and payment platforms ease and accelerate the flow of information and money between entities
- 4** Image and video data enable FNOL at speed and scale
- 5** Customer claims journeys are becoming more personalised to individual expectations

Dear Industry,

I know we've all been a little late to the party, and the fintech revolution continues to take all the attention (and funding!), but it's our time to shine! We are going through something special; we are undergoing the biggest transformation in history.

At Insurtech Insights, we promise to work tirelessly to bring essential, unmissable, actionable insights to an engaged and connected community of insurance professionals. Our events will bring together the entire ecosystem. Our onsite technology will spark intimate conversations and serendipitous networking. The breeding ground for innovation, ground-breaking startups, inspirational speakers, revolutionaries and pioneers - the energy will be palpable!

By travelling on this journey together, we can remove the obstacles that have been holding the industry back...and if Banking can be sexy, why can't Insurance?

We're ready to take the next step...are you?

Join us at **EUROPE'S LARGEST INSURTECH CONFERENCE, March 15th and 16th 2022**
at **London's Intercontinental O2!**

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