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5 BEST PRACTICES

for Automating Your Claims Process



Claims processing is one of the most important functions for any insurance company. It also happens to be one of the most tedious and time-consuming. While insurers have long sought a solution to automate this highly complex, manual process, they have found it difficult to identify an artificial intelligence-based solution that addresses their biggest challenges. Those who *have* found the ideal solution for their organization have struggled to implement it in a successful and sustainable manner.

The blame for failed artificial intelligence (AI) initiatives can be spread across a number of factors — some technical in nature and others rooted in company culture. While it may be easy to point the finger at challenges such as subpar training data, the issues are cumulative in nature. **All it takes is a single weak link along the implementation process to derail an AI initiative.** Insurers understand the magnitude of this opportunity to automate the claims process, but they also realize the need to get it right the first time. There is no easy path to AI success, but with the right guardrails in place, companies can succeed at a far higher rate than they have previously.

If claims automation is truly a priority for your organization, the following best practices will put your organization in the best position to achieve long-term success.

Build Your AI Business Case

One of the easiest ways to fail when building out your AI capabilities is by ignoring the practicality and use of it. You cannot simply adopt new technology because everyone else is doing it. You need an explicit purpose. What problem does it solve? What value does it bring to the organization?

Your desire to automate the claims process does not qualify as a business case. It does, however, set the stage for you to detail the finer points of the business case. For example, your business case could look as follows:

- Automating the claims process will enable our organization to process claims faster by identifying important information to each case quickly, at a high level of accuracy.

- Automating the claims process addresses the pain points of a largely manual process. It augments the abilities of claim handlers to analyze complex documents and make more concise decisions
- On a business level, claims automation increases the number of claims that can be processed on a daily basis. In addition, claims are analyzed with a high level of accuracy, eliminating potential for bias or manual mistakes.
- The impact of claims automation can be measured by claims closed as well as Net Promoter Score (NPS) to monitor customer satisfaction.

With a clear business case in hand, you enable your organization to view your AI initiative in context. This, in turn, makes it easier to demonstrate the impact of your results and improve company buy-in.

Only 13% of data science projects actually make it into production.

(Source: **VentureBeat**)



Set Realistic Expectations

Leadership is often keen to see early returns on their investments, especially when it comes to technologies as hyped as artificial intelligence. While automating the claims process can have a monumental impact on your organization, **setting unrealistic expectations can quickly send you down a path to failure**.

There is no question it can be difficult to push back against leadership but establishing realistic expectations is beneficial to all involved parties. For those on the back end, realistic expectations lessen the burden of delivering perfection from the outset and, instead, enable you to focus on smaller victories that build momentum. In turn, this focus on incremental improvement helps you to build confidence amongst leadership.

This idea of small victories is important, as it is neither realistic nor beneficial to try and automate too much too soon. By building out your AI system methodically, you can identify issues and address them before you roll them out company wide.

68% of AI leaders believe senior management understands AI benefits vs. 7% of AI laggards.

(Source: **FORTUNE Knowledge Group**)



Keep a Human in the Loop

One of the biggest misnomers about artificial intelligence is that it eliminates the need for human labor. When it comes to the claims process, AI is more about augmentation than it is about automation. **The goal is not to replace claim handlers, but rather to augment the speed and accuracy with which they analyze claims and improve their decision-making abilities.**

It is important to remember that the claims process is one of much complexity. So, while natural language technology can help you analyze claims with a high degree of accuracy, you still need an expert to validate the results. Artificial intelligence, ultimately, is complimentary to human expertise, so the role of humans cannot be understated.

Keeping a human in the loop is also critical to model explainability. You cannot simply rely on an unsupervised model to tell you how to handle a claim. You need an expert to see and understand the logic behind the analysis. Explainability is key to building trust with your claim handlers and, in turn, your customers. Not to mention, federal regulations are beginning to mandate explainable AI.



Follow a Proven Rollout Plan

Claims automation may be exactly what your organization needs, but it needs to be implemented in a thoughtful and strategic manner for it to work effectively. **Too often, important initiatives are rolled out exclusively from the top down without any consideration from the end users that will actually use the technology.** In this case, your end users are your internal subject matter expert.

Your subject matter experts are deeply involved with the claims process on a daily basis and can tell you whether the solution:

- effectively addresses the pain points they consistently feel.
- could be improved via the addition or removal of certain features or functionalities.
- is intuitive and easy to use.

By bringing people into the rollout process from up and down the value chain, you not only gain a more holistic view of the solution and its fit within the organization, but you foster enthusiasm through inclusion. The enthusiasm for your solution cannot be overstated, as your priority should ultimately be adoption rather than launch.

Only 17% of organizations have created an AI center of excellence that shares resources and coordinates among different business units.

(Source: **Juniper Networks**)



Prioritize Adoption Over Launch

Launching an artificial intelligence solution is no small feat, no matter the size or experience of the organization. This milestone deserves to be celebrated accordingly. With that said, the launch is just a quick stop along the larger AI journey. What ultimately dictates the success of AI in your organization is the level of adoption you achieve. If you cannot demonstrate the value of your solution and put employees in a position to succeed with it, all the work that went into the launch was for naught.

Communication is key to facilitating adoption. If you keep your organization abreast of developments leading up to launch, they will be far more prepared to adopt it into their daily workflows. Another aspect of this is establishing proper training and onboarding courses. The more momentum you can build off the bat, the easier it will be to secure adoption.

Maintaining adoption is another consideration altogether. Once you launch your solution, you must start thinking ahead to the next iteration. Establish a feedback loop to ensure the user experience is continually evolving. And of course, continue to feed knowledge back into the system so it can improve and evolve along with your needs.

71% of organizations believe that internal AI enablement will have the biggest impact on operational efficiency.

(Source: **Juniper Networks**)



Finding Success in Claims Automation

Claims automation is quickly becoming a necessity for insurance companies, but for insurers to capitalize on this opportunity, they must stop making the same implementation mistakes. With the right set of best practices in hand, organizations will undoubtedly realize greater levels of success with their AI initiatives.

Also helpful to the success of an AI solution is the technology you use. **When it comes to claims automation, implementing a proven, easy-to-use solution is a good way to achieve that early (and long-term) success your organization desires.**

Expert.ai has exactly what you need in its out-of-the-box claims automation solution. This solution streamlines your language-intensive claims process by turning your language into data via a deep, contextual understanding of your claims documents. In turn, it enables you to process claims faster and frees up your subject matter experts to focus on high-value tasks.

The claims process will only become more difficult the longer you wait to address it. It is time to make claims automation a reality at your organization. You have the guidelines to make it happen. Expert.ai has the right solution. What is your next move?



Get Started

Unlock the potential of your natural language assets.

See how expert.ai can help!



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About us

Expert.ai (EXAI:IM) is a leading company in AI-based natural language software. Organizations in insurance, banking and finance, publishing, media and defense all rely on expert.ai to turn language into data, analyze and understand complex documents, accelerate intelligent process automation and improve decision making. Expert.ai's purpose-built natural language platform pairs simple and powerful tools with a proven hybrid AI approach that combines symbolic and machine learning to solve real-world problems and enhance business operations at speed and scale. With offices in Europe and North America, expert.ai serves global businesses such as AXA XL, Zurich Insurance Group, Generali, The Associated Press, Bloomberg INDG, BNP Paribas, Rabobank, Gannett and EBSCO.

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