rubex

THE INSURANCE GUIDE TO

Process Automation

Better Claims Processing for Better Customer Outcomes

For insurance companies, customer retention is everything. Successful firms can maintain optimal retention rates through several factors including competitive premium rates, responsive customer service, and other client benefits. However, the make-or-break moments in the customer experience usually come during the claims process.

As a professional in the insurance industry, the most routine process you likely take part in on a daily basis is claims processing. This multi-step process must be done in a timely manner, but also accurately for the sake of maintaining compliance and customer satisfaction.

When a claim is filed by a policyholder or third-party on their behalf, this customer is likely dealing with a personal crisis such as a medical procedure or auto accident. Therefore, if the claim process is unsatisfactory (i.e. too long, error-ridden), it's a stain on your customer experience reputation, prompting unhappy clients to leave and share their displeasure with prospects via reviews and word-of-mouth.

The average time to complete an automotive claim is about 30 days, while medical claims can take up to six weeks. Depending on several different factors, it's possible for claims to take months to fully process. It's an anxious time for customers and puts pressure on agents, adjusters, and underwriters to bring the customer a timely and fair outcome. That's not even taking into account companies in states with strict requirements for insurance claim processing.

While the amount of time it takes to process claims can entirely depend on factors out of the insurer's control such as missing information, uncooperative third-parties, and unexpected developments to the incident, there are still several factors that happen internally that can grind the process down to a snail's pace.

Challenges to Claim Processing

VAST AMOUNTS OF DATA

In order to process a claim, it takes vast amounts of information and documentation to verify, approve, and determine the right payment to disperse. It's a lot of data to collect and organize, plus it rarely ever comes all at once.

A common problem witohin insurance companies is that the data related to a claim ends up scattered across different mediums and platforms. There may be a digital invoice sent via email, a photo of car damage sent via text message, and an itemized estimate as a physical document. These important pieces of information can end up in different silos, which makes it difficult for teams to organize them for verification necessary for final approvals.

In order for the claims process to be efficient, and in the interest of compliance, data should be collected and stored with a standardized process and platform. This is made all the way easier when data, even that contained within physical documents, can be funneled to a secure and centralized repository.

MANUAL STEPS TAKING OVER THE PROCESS

Depending on the type of insurance product, the policy, and the agency's workflow, the claim process can consist of anywhere from a handful of steps to hundreds. Anyone outside the insurance industry would lament this process as needless bureaucracy, but having these stages and steps in place are necessary for making sure an agency is compliant and providing fair and positive outcomes for their policyholders.

However, bureaucracy becomes a bad word when those many steps are done manually. Steps like initial review of the claim, verifying the policyholder's status, verifying their policy, verifying they're within network, repricing, risk review, payment, and dozens of others in between — they're all essential and need to be done with care and at the discretion of several stakeholders and employees. This

is where the slowdown usually occurs. Each of these steps involve routing documents to someone new so it can move to the next stage. An adjuster's assessment of damages may be completed in a timely manner, but because they're working on several other claims, it doesn't get routed to their supervisor as quickly as it could have. It's imperative to avoid bottlenecks like this to have an effective claims process.

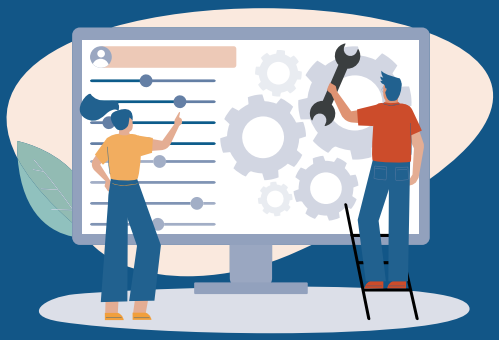
TOO MANY (OR TOO LITTLE) TOUCH POINTS

Miscommunication between the many different employees involved in the claims process inevitably leads to bottlenecks and errors. Minor errors such as routing a document to the wrong person, using the wrong coding, or even misplacing a single document can lead to massive delays in the process. Even the most efficient of workflows can fall subject to human error when things are done manually.

However, other companies may have the opposite problem. Due to workforce shortages, important claims will get delayed when there simply aren't enough people to collect, organize, review, and approve.

Overhaul The Process With Automation

Every insurance company's claim processing workflow is different. Whether it's done primarily with physical documents, digital forms, or a combination of both, they usually suffer because there are still so many steps being done manually when they don't have to be. This starts with a complete digital transformation.



Overhauling the claim process needs to be digital-focused. To really experience the benefits that technology solutions offer, agencies need to make the leap to a digital work environment if they haven't already.

However, digital transformation of insurance claim processing needs to be more than just being able to collect and store claim documents digitally. Intelligent organization through technology needs to include process automation.

Claims processing and its many stages have great potential to be automated. From first notice of loss, to data collection, investigation, and finally payment, automation can be introduced to streamline those stages and keep the claim process moving when a team member's task is completed.

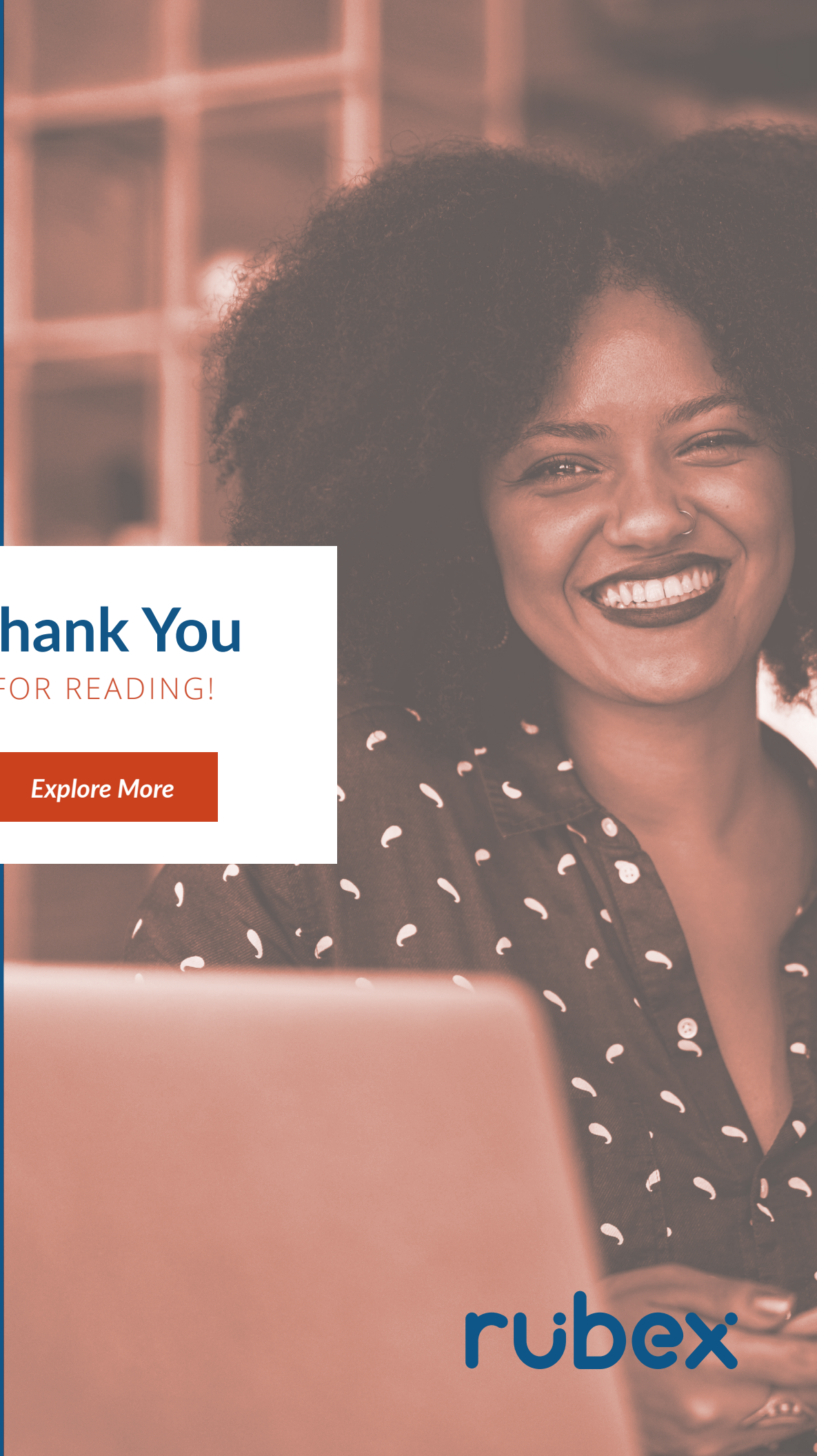
Furthermore, automation within a document-driven process has the potential to make organization of a policyholder's private data more secure and stored in a compliant manner.

Better Claims Processing For Better Customer Outcomes

Process automation allows insurance agencies to make their document-driven procedures completed faster, with a significant reduction in human-error.

When evaluating your claim processing workflow for potential improvements, it all comes down to creating a better customer experience for your policyholders. When retention is a priority, making sure there are absolutely no hiccups in the process can drastically improve the speed and efficiency of the claim process.

Automation will make the process faster, but also ensure that human error is kept to a minimum and that the client gets an accurate and fair payment.



Thank You

FOR READING!

Explore More

rubex