Carrier realizes $300,000 in annual cost savings through overhaul.

How an insurance carrier responds when an insured person or business files a claim will largely determine the customer’s view of the company. That experience is especially important in today’s digital age where the availability of social media provide a near-instant forum for reviews. A major U.S. insurance carrier recognized that its largely manual catastrophe claims response process was riddled with challenges, negatively impacting operations and leading to a sub-optimal customer experience.

The company had multiple, independently functioning teams that managed catastrophic claims operations. One team collected weather event forecast data from third-party weather sites, and created a visual map outlining the boundary of a storm. Several additional independent teams provided policy information. A geocoding team then coded each policy with the property location using a third-party service. Finally, this information was used to inform customers through disparate online and offline channels of an impending weather event to encourage appropriate preparations.

AT A GLANCE
A major property and casualty insurance carrier struggled with a lengthy claims adjustment and settlement process, caused by the company’s outdated, inefficient and largely manual processes. To improve operations and the policyholder experience, the company engaged Cognizant to overhaul its catastrophic claims process.

Cognizant implemented its cloud-based Cognizant Interactive Exposure Map solution and transformed a largely manual claims process into a fully automated end-to-end process using GIS, satellite imagery and optimization.

Outcomes:
• Improved efficiency of claims processing and settlement by 30%.
• Lowered operational costs by at least $300,000 annually.
• Improved customer satisfaction.
• Optimized utilization of field adjusters.
• Enhanced transparency across claims operations.

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The company’s claims response team also faced challenges in optimal deployment of field adjusters to handle catastrophe scenarios. The highly manual, effort intensive process created inherent inefficiencies, contributed to low customer satisfaction, and left management without a consolidated visual view of catastrophic response operations. The company engaged Cognizant as it sought a way to overhaul its claims response process.

End-to-end digital solution streamlines claims process

The company knew it needed an end-to-end digital claims process, but sought to collaborate in defining how it should work. Cognizant held a five-day workshop with team members across the various functions and used design thinking principles to develop a storyboard-style process map using customer journey mapping, followed by prioritization and a high-level scoping exercise, and ultimately formal requirements.

Based on the outcomes of the workshop, it was clear that the Cognizant Interactive Exposure Map™ (IEM™) would provide an ideal end-to-end solution. Cognizant IEM combines business intelligence with geographical information systems (GIS) that would help the carrier make business-critical decisions. Enabled by a strong alliance with Google, Cognizant

IEM is built on the Google Maps platform and integrated with Google's APIs to provide precise geocoding, an extensive location database and integrated weather-related data that can be used to predict catastrophic events.

With the bad-weather months of March through October rapidly approaching, timing was critical to the insurance carrier. Cognizant rolled out the pilot program a mere three months after winning the engagement, and completed system-wide deployment in an accelerated timeline of 3 quarters. This allowed the insurance carrier to test and add incremental new features throughout the season.

Workload balancing, adjuster deployment and route optimization features now support the claims response process. The solution's GIS capabilities also enabled Cognizant to integrate emerging technologies such as drones, 3-D imaging and Internet of Things (IoT) devices to help automate activities in other areas such as underwriting and claims adjustment.

Moreover, the Cognizant IEM solution is delivered to the insurance company via a cloud-based, solution-as-a-service model. Because catastrophic events are seasonal, the solution-as-a-service option is ideal since it is priced based on usage. As a result, the company can scale services, and resulting costs, as needed in response to weather-related events.

The insurance carrier was delighted with the results. By eliminating numerous standalone tools used previously, the carrier saves $300,000 annually in software license fees and costs from operating redundant data systems.

Streamlining and automating the claims process resulted in 30% greater efficiency in claims response and processing time. Both customer and employee satisfaction have improved significantly as a result.

Learn More

To learn more about Cognizant, please visit www.cognizant.com/interactiveexposuremap.