

NextGen Claims Assistant

Executive Summary



Problem Statement

- 100 bn commercial claim payouts in 2023
- Only 70% of critical data is captured when the claim is first reported.
- 25% of claim adjusters time is spent in non-core or administrative tasks.



Solution Developed

- Our cutting-edge solution 'NextGen Claim Assistant, powered by Generative AI, aims to empower the loss adjustors with data backed insights for claim assessment and payouts.
- Key capabilities include,

Contextual summarization	Exposure identification and Coverage validation	Similar claim insights	
Suggest estimate range	Flag data discrepancy	Generate file note summary	Draft contextual emails



Technology Used

- Duck Creek Claims OnDemand
- Gen-AI LLM Model :
 - Knowledge graph with RAG architecture
 - Azure AI Search with semantic ranking
 - Azure Open AI Service for GPT 3.5 LLM to generate responses in the context to vectorized long term memory on claim history.



X-Factor (Business Benefits)

- 20% reduction in claims leakage
- 35% reduction in settlement time
- 40% improvement in adjusters' productivity
- 30% improvement in customer engagement

Context

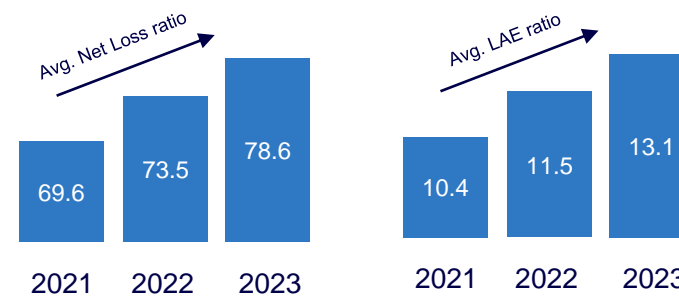


In the commercial insurance space,

100 bn claim payouts in 2023

70% of critical data is only captured when the claim is first reported

25% of claim adjusters time is spent in non-core tasks



Loss Ratio

(50 – 73 %) *from leaders to laggards*

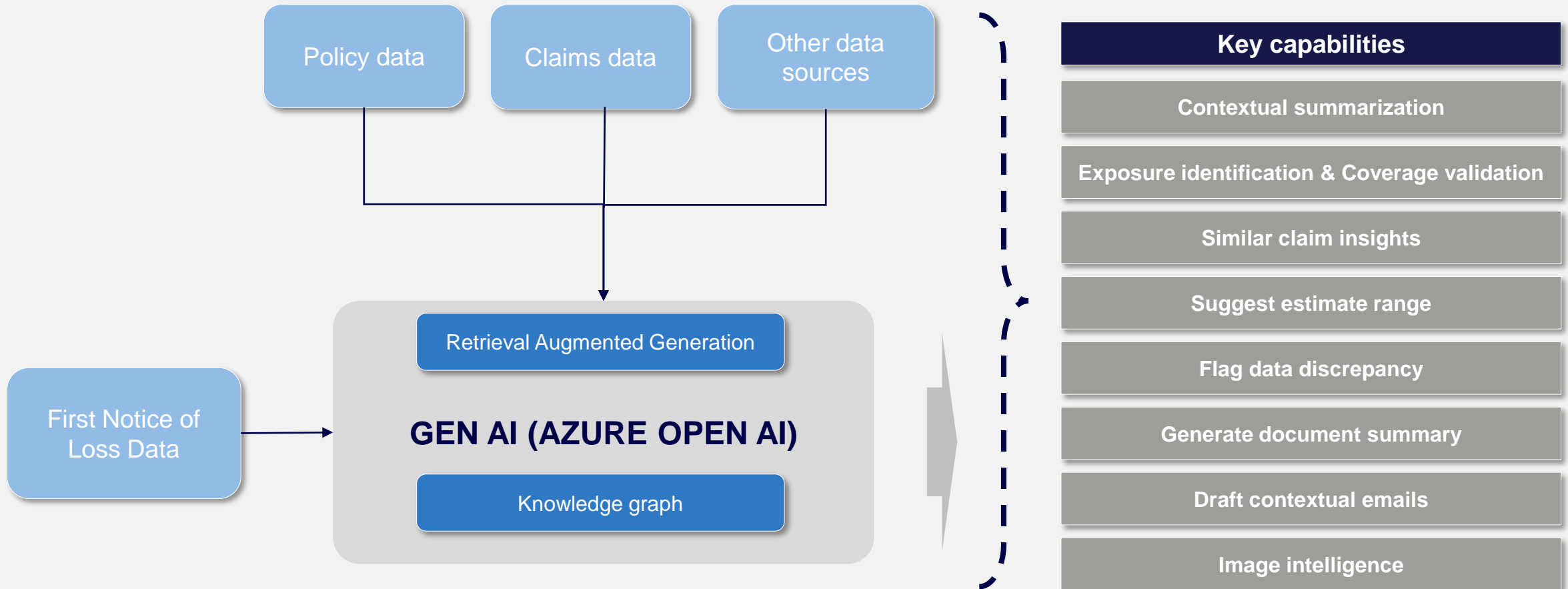
Loss Adjustment expenses

(12 – 15%) *from leaders to laggards*

NEXTGEN CLAIMS ASSISTANT

Empower loss adjusters with Cognizant's innovative NextGen Claims Assistant powered with Gen AI, which generates contextual responses with meaningful insights to accelerate decisions and quick claim settlement.

NextGen Claims Assistant - Empower loss adjusters with Cognizant's innovative NextGen Claims Assistant powered with Gen AI, which generates contextual responses with meaningful insights to accelerate decisions and quick claim settlement.



What happened? ... the Incident

At Henny's Restaurant

- On Jan 17th, the oven had burst due to a circuit break causing a fire. By the time chef tried to put off the fire, it had spread to most parts of the kitchen damaging the freezer and the foods insider.
- Chef attempted to stop the fire, but then extinguishers did not work as expected. There was no one except the chef since this happened at 9AM. Explosion caused injuries to chef alone, he had some skin burns and was taken to hospital immediately.
- We have no other evidence since CCTV isn't working since last 2 months. Police was informed of the incident.
- Entire operations will need to be stopped for at least 3-4 days. Oven must be replaced which will cost \$6000. Freezer will cost about \$8000. Revenue of the restaurant per day is close to \$3000.

Claim is lodged the very next day



What next?



David John is assigned as the adjustor for the claims assessment and its settlement

- 10 years of commercial claims expertise
- Relies on data for decisions and tries to avoid being subjective
- Looks to settle claims quickly

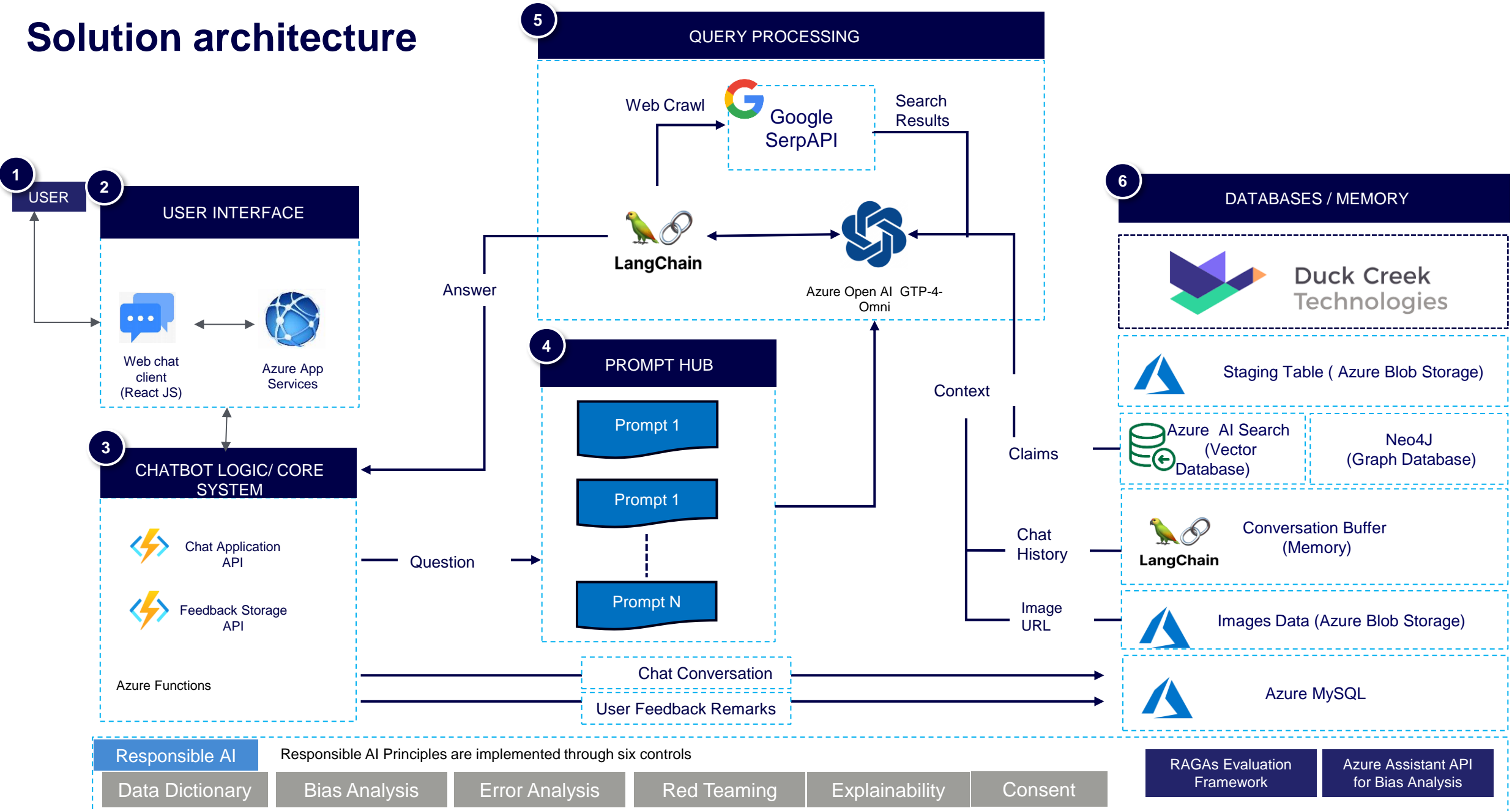
✓ David launches NextGen Claims Assistant from Duck Creek Claims.

✓ He knows the NextGen Claims Assistant would have answers for anything that he asks.

Let's see how the interaction goes

The screenshot shows a web browser window displaying a claims management system. The main content area shows claim details for 'Claim PR2403000000947'. The 'Building Damage' section is expanded, showing 'Building Damage Fire and Components' with an 'Open' button. Other sections include 'Damage to BPP Including Stock / Fire / Compr.' and 'Fire Dept Charge', each with an 'Open' button. The 'Page Actions' section lists various options like 'Add Involved Property', 'Add Liability', and 'Close Claim'. The 'NextGen Assistant' button is highlighted in the 'Page Actions' list. The 'I Need To' section is also visible. The main content area displays fields for 'Fatality Exists' (No), 'Company' (Accident & Allied Risk), 'Claim Source Type', 'Recovery Score', and 'Client Satisfaction'. The 'Loss Description' section contains text: 'The oven had burst due to a circuit break causing a fire in most parts of the kitchen damaging the freezer and the injuries to chef alone, he had some skin burns and wa...'. The 'Treatment at Time of Injury' and 'Claim Settlement Type' sections are also visible. The 'Remarks' section is empty. The 'Admission Date' and 'Admission Time' fields show '12:00 AM'. The 'Discharge Date' and 'Discharge Time' fields also show '12:00 AM'. The 'HEGI Card Number' and 'Provisional Di...' fields are visible. The 'Estimated Expenses' section shows '40,000.00 USD'. The 'Estimated total room rent' and 'Expected cost' fields are also visible. The 'NextGen Claim Assistant' chat window is open in the bottom right corner, displaying the message 'Hi David, How can I help you' and a text input field with the text 'What are the exposure'. The chat window has an 'Expand' button in the top right corner.

Solution architecture



X Factor



20% reduction in claims leakage

35% reduction in settlement time

40% improvement in adjusters' productivity

30% improvement in customer engagement

Key capabilities (1/4)

Contextualized Claim summary

NextGen Assistant carefully reviews the new claim submission received along with other sources of data such as policy data & policy documents and prepares contextual summary for the claim adjustor

Exposure identification

Claim Adjustor, John wants to understand the exposures of this claim and validate if his findings match with what the Gen AI assistant has to say. Moreover, it doesn't look like the claimant is covered for all the losses claimed.

CLAIM NUMBER PR24030000000947

Claim Summary

- Claim: PR24030000000947 was reported on January 18, 2019, one day after the incident/loss date (January 17, 2019).
- The claim is currently open.
- There are 2 witnesses.
- There was no one except the chef since this happened at 9AM. We have no other evidence since CCTV isn't working since the last 2 months.

CLAIM NUMBER PR24030000000947

NextGen Claim Assistant Minimize

What are the exposures of this claim?

Incident Exposure:

1. Fire damage to cooking equipment, requiring repair or replacement.
2. Fire damage to the freezer and food items, resulting in financial loss.
3. Injuries to the chef, leading to medical expenses and potential liability claims.
4. Business interruption due to the need to cease operations for at least 3-4 days, resulting in loss of income.

Potential services:

1. Alternative accommodation to continue business operations during repairs.
2. Quote for replacing the damaged cooking equipment and freezer.
3. Inspection report for assessing the extent of structural damage.
4. Recovery through subrogation from the maintenance company responsible for the fire incident.

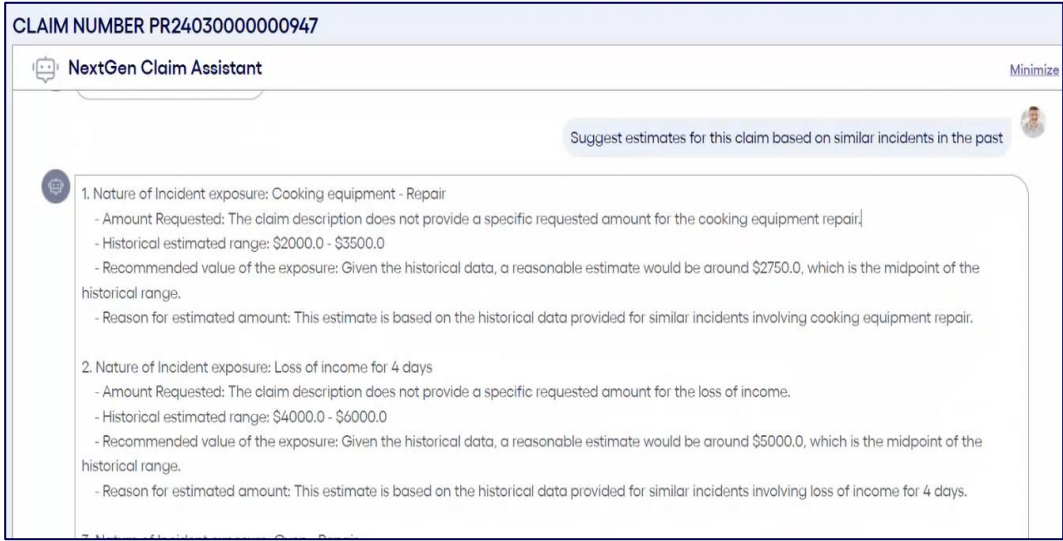
Notes:

- The policy provides coverage for fire and allied perils, including damage to fixed property, contents, machinery breakdown, and business interruption.
- The fire incident occurred during non-business hours, limiting the number of occupants affected.

Key capabilities (2/4)

Estimate recommendation

John must now enter estimates for this claim. Though he is clear on the exposures, he is not so confident with the reserve figures. He decides to check with the Gen AI assistant prompting it to look at similar claims in the past.



Similar claim insights

John wants to see similar claims and understand the status of it along with the assessment report and claim payouts. He needs the Gen AI assistant to bring him similar claims with necessary data to help him assess better



Key capabilities (3/4)

Identify key discrepancies

Claim adjustor, John somehow feels something is not right in this claim. It could be just his gut feel. He wants to see if the Gen AI assistant could bring him any observations in this regard, so that he can validate them.

CLAIM NUMBER PR2403000000947

NextGen Claim Assistant

Give me a few observations on this claim

I have the below observations on this claim PR2403000000947:

1. The annual revenue for the last three years is \$4,000 in 2021, \$4,500 in 2022, and \$3,500 in 2023. The revenue has been consistently low, which may impact the business performance.
2. The incident occurred at 9:00 AM, which was outside of the business hours. This suggests that there were no customers or staff present at the time of the incident.
3. The claim description mentions that the chef suffered minor injuries and was taken to the hospital. It is unclear if there were any other witnesses present during the incident.
4. The CCTV footage is not available as it hasn't been working for the past 2 months. This could be a potential setback in gathering more evidence for the claim.

Based on these observations, the claim discrepancy level for PR2403000000947 is moderate, as there are some missing reports and the incident occurred outside of business hours.

Generate summary of file notes

Fire reports are received and stored in the file notes. The report seem to be quite detailed with 10-15 pages. John wants the Gen AI assistant to summarize the report to him with key observations.

CLAIM NUMBER PR2403000000947

NextGen Claim Assistant

Can you summarize the Fire Report from file notes

Fire Report 1, dated Jan 18th, 2024, and Fire Report 2, dated Jan 19th, 2024, provide information about the fire incident at Henny's Restaurant located at 004 NJ-32A Suite 1145, Cherry Hill, NJ 08002. By comparing the two reports, the following changes and new information can be summarized:

1. New witnesses: Fire Report 2 introduces two new witnesses, Milton (raw material supplier) and Ria Simon (adjacent shop owner), who provided their statements regarding the fire incident. These witnesses were not mentioned in Fire Report 1.
2. Violations: Fire Report 2 mentions violations by the restaurant owner, including unauthorized covering of the open-air terrace with combustible materials, smoking/hookah activities, fire tricks by bartenders, alterations made on the 1st floor and part terrace, blocked pathways and staircases, absence of visible exit signs, and non-permitted activities in the basement. These violations were not mentioned in Fire Report 1.

Additionally, the following observations can be made based on Fire Report 2 compared to the claim description:

1. Timing discrepancy: Fire Report 2 states that the incident time was 9:15 A.M., while the claim description mentions an incident time of 9:00 A.M. This

Key capabilities (4/4)

Identification of missing information

This being a fire claim, he needs to cross check the critical data that needs to be looked at. He is expected to send a note to his Ops team to do the follow-up, but he needs to mention what he needs further to assess. He reaches out to the Gen AI assistant to help him with missing data insights

CLAIM NUMBER PR2403000000947

NextGen Claim Assistant Minimize

Hi David, How can I help you

Does this claim have enough details to process?

Below are my observations on this claim. This being a fire claim, the key attributes required are alone mentioned:

- Cause of fire: Oven burst due to a circuit break, causing a fire.
- Inventory of loss: Oven, freezer, food, furniture, and structural damage to the kitchen.
- Structural Damage: Kitchen and possibly other parts of the building.
- Evidences of loss: CCTV footage is not available.
- Fire department report: Not mentioned.
- Financial records: Revenue per day is \$3000.
- Repair or replacement cost: \$6000 for oven, \$8000 for freezer.
- Fire control devices used: Fire extinguishers were not effective.
- Summary: Yes, all important columns are available to proceed. The missing parameters are fire department report and CCTV footage.

Generate contextualized emails

John wants to send next steps email to the claimant. He doesn't have the time to draft email. He decides to leverage the Gen AI assistant to draft an email for him.

CLAIM NUMBER PR2403000000947

NextGen Claim Assistant Minimize

Hi David, How can I help you

Draft an email scheduling an appointment with claimant

Subject: Assessment Appointment for Claim PR2403000000947

Dear Diana George,

We hope this email finds you well. We are writing regarding the unfortunate incident that occurred at Henny's Restaurant on March 12, 2023. Our team at [Insurance Company] would like to express our sympathy for the damages caused by the fire.

We have received your claim and are committed to providing you with the necessary support throughout the claims process. In order to assess the extent of the damage and expedite the claim, we kindly request a convenient time and date for a visit to the premises.

During the assessment, our team will thoroughly evaluate the damage to the restaurant, including the affected equipment, furnishings, and overall structural integrity. Our objective is to gather all essential information to process your claim in a timely manner.

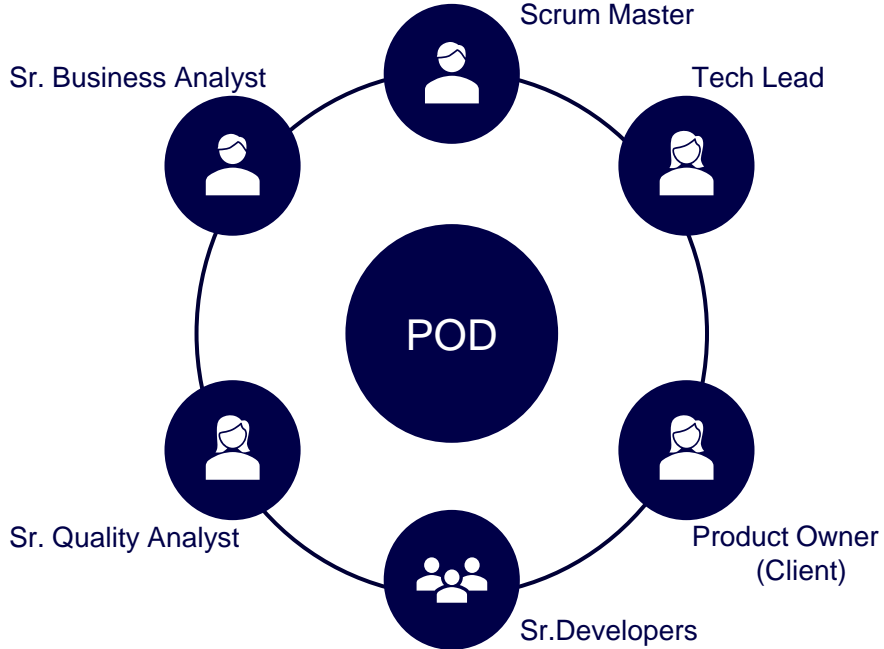
Rest assured that our team will work with you closely to ensure a smooth claims experience. We understand the impact this unfortunate incident has on your business, and we are dedicated to assisting you every step of the way.

Thank you

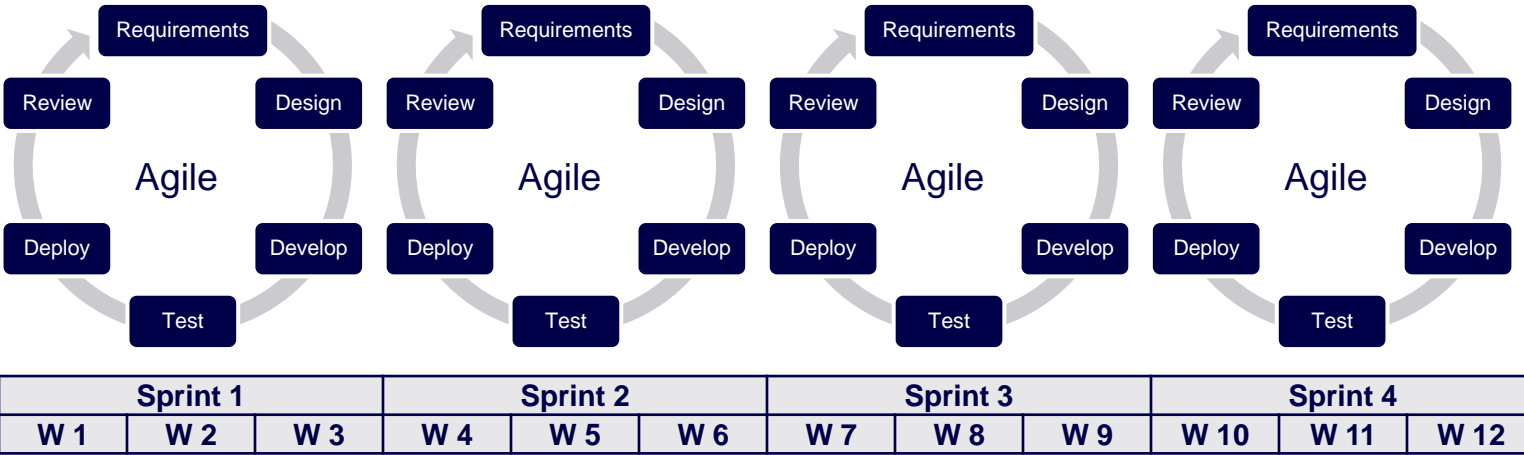
NextGen Claim Assistant MVP

POD Architecture and timelines

The team is made of different roles, and skill sets that work together to provide oversight and overall management of the product delivery.



We adopt a product-centric mindset towards delivering outcomes through our well-integrated, self-reliant, agile pods.



Projected Timeline