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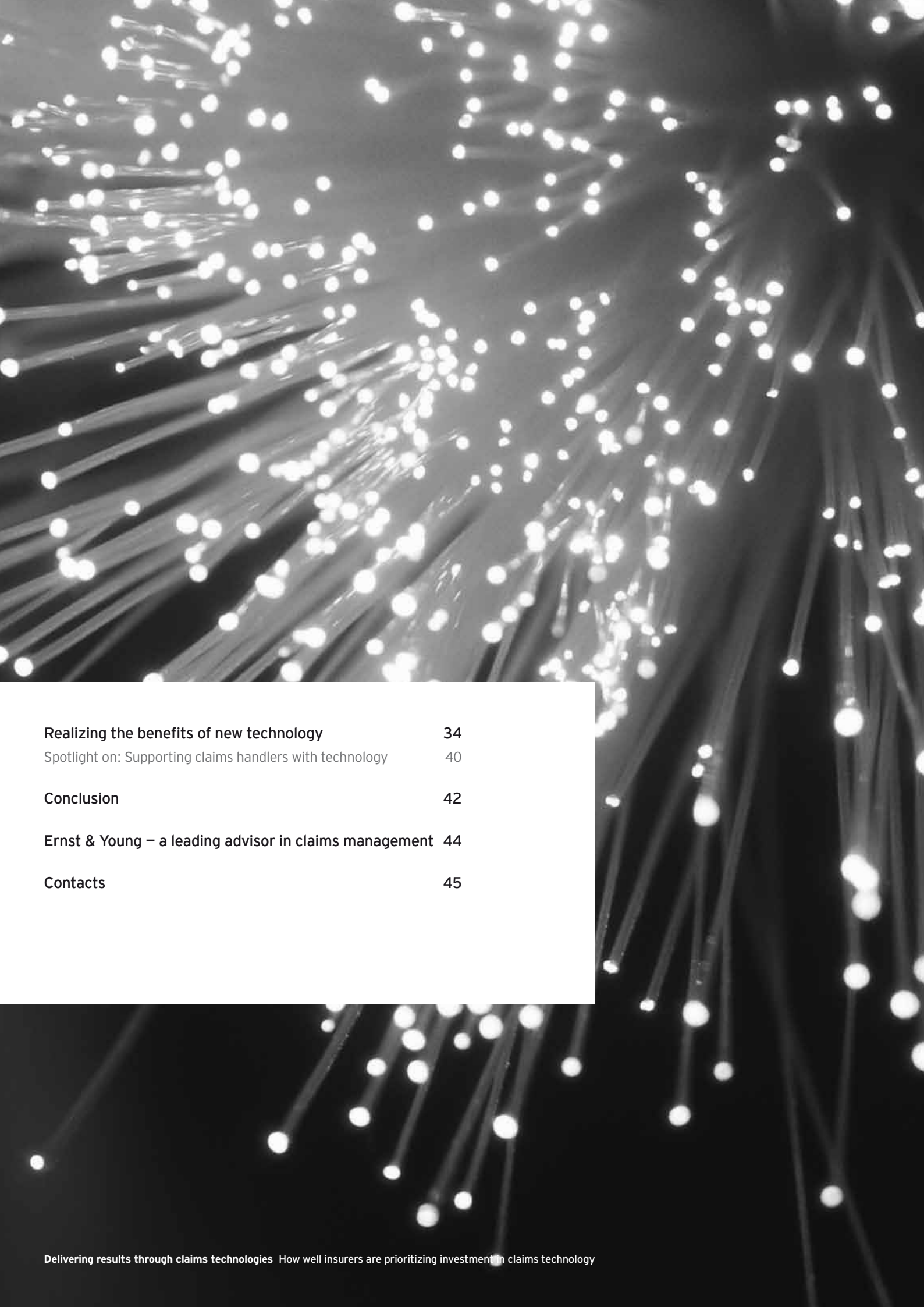
Delivering results through claims technologies

How well insurers are prioritizing
investment in claims technology



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Foreword

In recent years, a new generation of technologies have created a renewed appetite for IT-enabled claims transformation. Yet there are still a large number of challenges to be overcome in delivering the anticipated business benefits. So how well are insurers achieving improved claims performance through their investments in claims technologies, and where should they focus to see greater success?

It is widely recognized in the industry that achieving a seamless claims experience is a major issue for insurers. The challenges for claims professionals across Europe are exacerbated by the sheer number and diversity of issues that impact upon their operations. In the current cost-constrained climate, achieving operational efficiencies, while meeting customer expectations in a regulatory-compliant manner, is keeping claims leadership occupied. Claims leakage also continues to prove a challenge – particularly the battle against fraudulent activity. High-profile factors, such as the natural catastrophes of recent years and the associated volatility in claims volumes have also served to bring the vital role of claims management into sharp relief.

If these operational benefits can be realized, coupled with demonstrable bottom-line impact of “seamless claims” there is a strong case for increasing investment – especially in technology. Based on interviews with senior claims and IT leaders in five European countries, this report shines a spotlight on some areas where insurers need to invest to see improvements. This report helps to identify key trends in investment priorities, the barriers to change and how to realize the benefits of technology investment. We trust you will find this informative.



Andreas Freiling

EMEIA Insurance Sector Leader
Ernst & Young GmbH



Executive summary

Ask most insurers to identify the current drivers of change for claims management and they will give you a diverse list that will include anything from combating fraudsters to complying with wave after wave of regulation. A common and persistent theme, however, is that of the customer journey: the need to meet evolving customer requirements is very much at the forefront of many of the changes taking place across Europe.

This can be at odds with the equally pressing need to maximize profitability and keep costs down. However, there are areas in which the demands of the customer and the bottom line are aligned. This is particularly true when it comes to the speedy settlement of claims, which is commonly cited as a priority for customers, but which also translates into lower costs for the insurer.

It is this ability of claims management to reduce costs that has ensured that – despite the uncertain economic environment – insurers are not standing still when it comes to investing in technology. There is currently much activity across Europe in terms of changes to and investment in claims management, and there is widespread confidence among claims leaders that the insurance industry as a whole is investing sufficiently in IT to improve the speed, efficiency and accuracy of claims handling.

There is also a high level of consensus among insurers that teams of skilled claims handlers need to be supported by efficient and up-to-date claims management technology. Insurers appear keener than ever to invest in this technology, with claims leaders looking to maximize the benefits of new software and solutions. But with the ever-present need to demonstrate a return on all investment, the question remains of where best to focus resources.

Key findings from the research include:

Customer expectations are evolving, but this is not necessarily translating into investment in customer-centric claims management technology. Of those surveyed, 40% pointed to “customer expectations of speed and efficiency” as one of the main factors driving change in claims management across the insurance industry, and increased customer satisfaction is considered a top three driver when investing in claims management technology. Yet customer and claimant management was only selected by one quarter of respondents as an area of claims operations they are currently prioritizing for change, and less than one-fifth of respondents are investing in tools to assist with interaction with customers. Being prepared to interact with customers through a variety of channels will be vital, as the survey shows a strong increase in customer expectations of using mobile devices and social media to interact during the claims process over the next five years, as well as wanting face-to-face interaction.

The shift in how insurers are approaching investment in claims technology is resulting in an increased demand for specific skills and resources. Historically, building a bespoke system has been a more common approach but, over the next three years, insurers are more likely to buy a technology tool and adapt it or enhance or re-platform an existing system. This is particularly true of respondents whose organizations have undertaken a large-scale IT claims initiative in the past three years. Of the respondents who have, in the past, built one only 6% still plan to build a bespoke system in the next three years. Yet, despite this shift, around 4 in 10 insurers still say they are recruiting to bring new skills in-house to support their development plans. This disconnect is particularly marked in the UK, with 60% of respondents saying they are recruiting new skills in-house, despite only 5% planning to build a bespoke system. This continued need for in-house skills may be explained by the level of customization insurers plan for the off-the-shelf tools they are buying, or the fact that they previously outsourced much of their technology development.

Insurers recognize the need for better data management but are not yet prioritizing this in the implementation of claims management technologies. Survey respondents say that “better data management” is the change that would most increase the efficiency and effectiveness of their claims processing function and improvement in capturing claims data is a top five driver when investing in new claims processing technology. Reporting and analytics software are the top technology solutions insurers are considering to address issues faced in claims processing. However, it is interesting to look at the issues of improvement in capturing claims data and generating better management information. These are more important drivers when investing in new claims processing technology for those respondents whose organizations have undertaken a large scale IT claims initiative in the past three years than for those who have not. This suggests that past investments may not deliver what is needed in these areas.

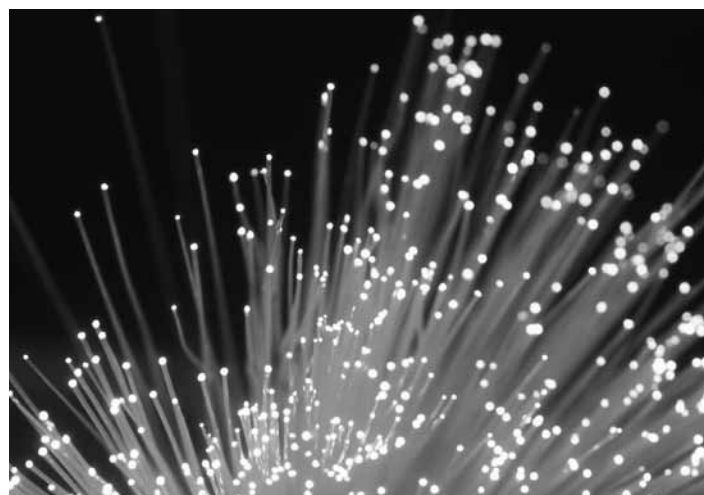
More efficient interaction with external suppliers and third parties is a top priority to help reduce rising claims settlement costs. Almost one-quarter of respondents feel that inefficiencies in dealing with external suppliers in the claims process is contributing to rising claims settlement costs. Also, improved connectivity with third-party suppliers was cited by almost one-third of respondents as an important way in which to increase the efficiency and effectiveness of the claims processing function. Efficient interaction with external suppliers and third parties, such as brokers and loss adjusters, is the second priority area for change of claims operations insurers. This is particularly true in the UK, Germany and Spain. Furthermore, better data exchange with third-party suppliers is seen as the most important outcome or driver when investing in new claims management technology for 75% of respondents from Spain and 50% from Italy.

About this report

Delivering results through claims technologies is an Ernst & Young report, written by the Economist Intelligence Unit. It examines the many pressures on claims management functions today and assesses how insurers are responding to new and emerging issues in the claims environment, particularly with technology solutions. For this research, we contacted 78 different insurance companies ranging from those with annual revenue above €5b (16%) to smaller operations with revenues of €100m-€300m (22%).

The report draws on two sources of original research conducted during September and October 2011 by the Economist Intelligence Unit. These two strands of research provide important insight into the drivers of change in claims management, as well as the strategic responses of insurers in choosing technology solutions:

- ▶ A survey of 100 senior executives at non-life or composite insurance companies, in either the claims or IT function, with an even spread across the UK, France, Germany, Italy and Spain.
- ▶ In-depth interviews with the head of claims or CIOs at 20 insurance companies in the UK, France, Germany, Italy and Spain.



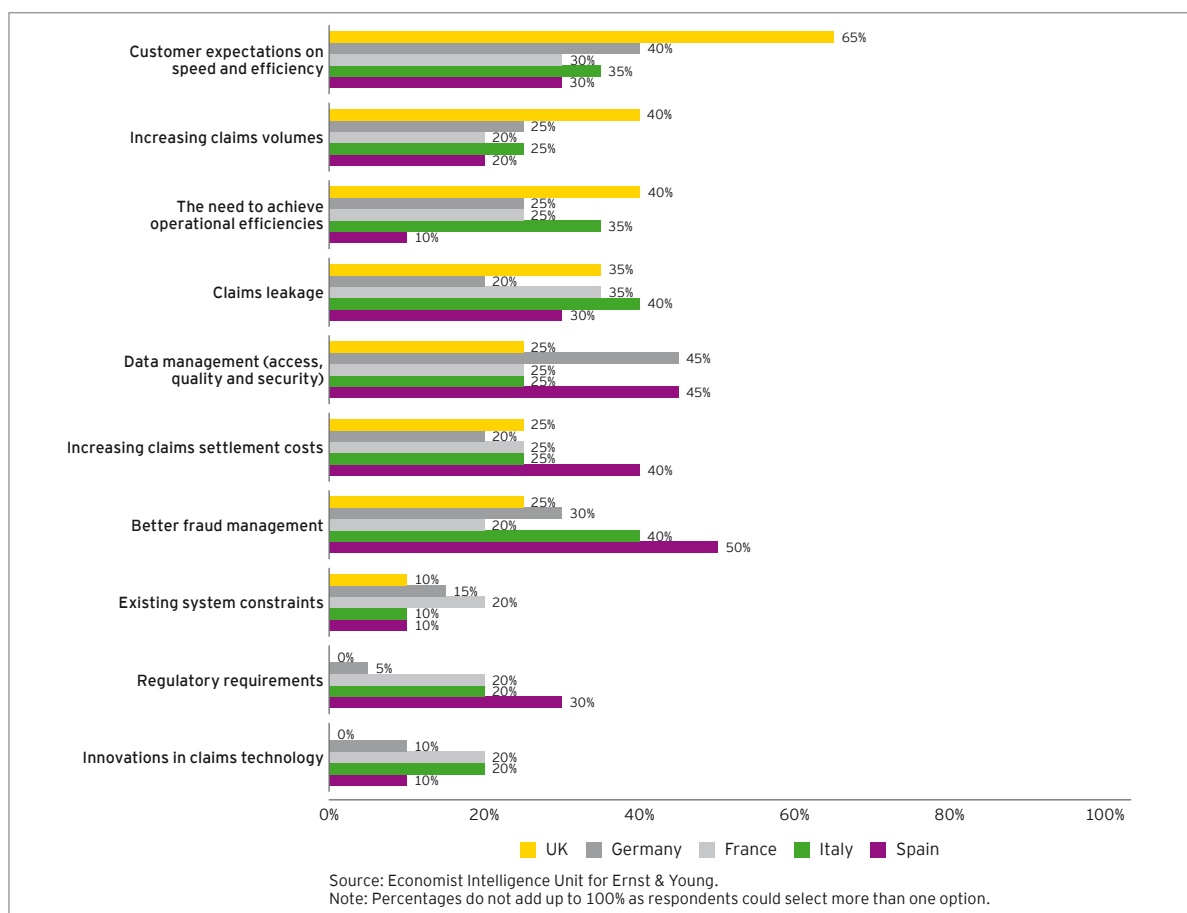


What's driving change in claims management

Change has been one of the few constants for insurers in recent years. It is driven by a variety of factors, from the need to address claims leakage and remain one step ahead of the fraudsters, to achieving operational efficiencies while meeting diverse and changing customer requirements.

In the past, the insurance industry has been dogged by stereotypes and accusations of poor customer service. But it is clear that insurers are keen to put this behind them. Speak to most insurers and they will tell you that the customer experience is a top priority and that the customer is at the center of many of the changes currently taking place in claims management. A huge 65% of UK respondents and 40% of those in Germany pointed to “customer expectations of speed and efficiency” as the main factor driving change in claims management across the insurance industry.

What are the main factors driving change in claims management across the insurance industry?



Certainly, insurers are increasingly keen to respond to the developing needs of their customers. Graham Gibson, Director of Claims for Allianz UK, asserts: "We have spent a huge amount of time and effort understanding what the customer needs and then aligning our processes accordingly."

A common observation among claims professionals is that customers have become more demanding – and insurers are keen to satisfy them. As Peter Albrecht, Head of Claims at ACE European, emphasizes: “Claims is the moment of truth in the insurance industry. Here, we have the chance to deliver what we’ve promised.”

Rising claims settlement costs are also keeping insurers up at night. In the survey, 40% of respondents in Spain, as well as 25% of respondents from Italy, the UK and France identified this as a main driver of change.

The motor insurance segment continues to suffer from insurance fraud, with “crash for cash” staged accidents and fraudulent whiplash claims adding significantly to the costs of claims. Motor insurers are not alone in having to address the thorny issue of fraudulent claims. In the survey, while a wide variety of issues were identified as contributing to rising claims settlement costs, the highest percentage of respondents identified claims fraud. Furthermore, a significant 50% of respondents in Spain and 40% of those in Italy identified “better fraud management” as one of the main reasons behind improvements to claims management.

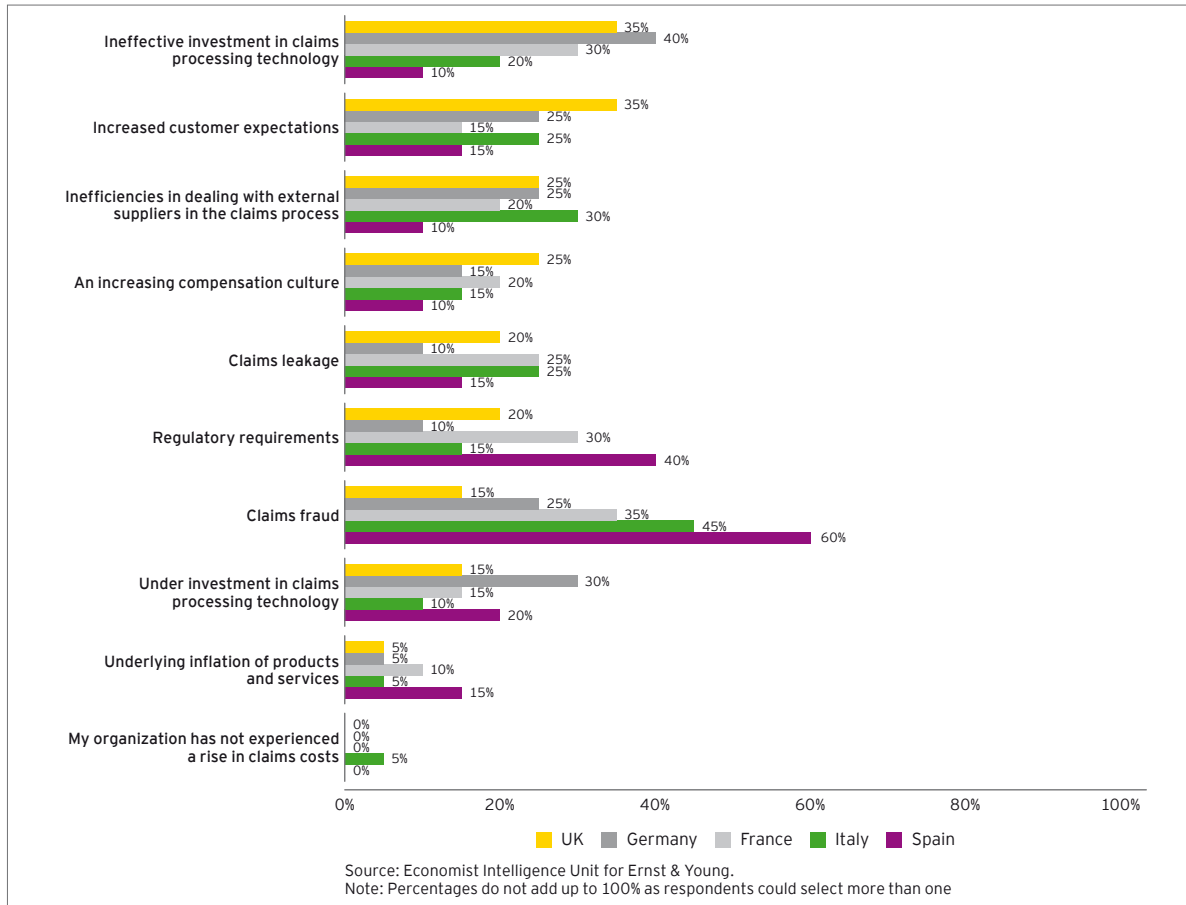


Imran Ahmed Partner, Ernst & Young LLP (UK)
EMEIA Claims Advisory Leader

“In a market where top line revenue is under considerable pressure in both Personal and Commercial lines, and claims costs continue to escalate, trying to effect change in claims can have a material impact on the bottom line. Many of the claims drivers highlighted are particular to certain countries. However, across Europe we are seeing an increasing trend for injury claims; fraud continues to be an increased focus area; and the ongoing challenges with claims leakage are not receding.

The specific challenge for many insurers is how to bring about change in a sustainable way – typically process and organizational changes will have limited impact without the support of technology.”

Which issues do you feel are contributing the most to rising claims settlement costs?

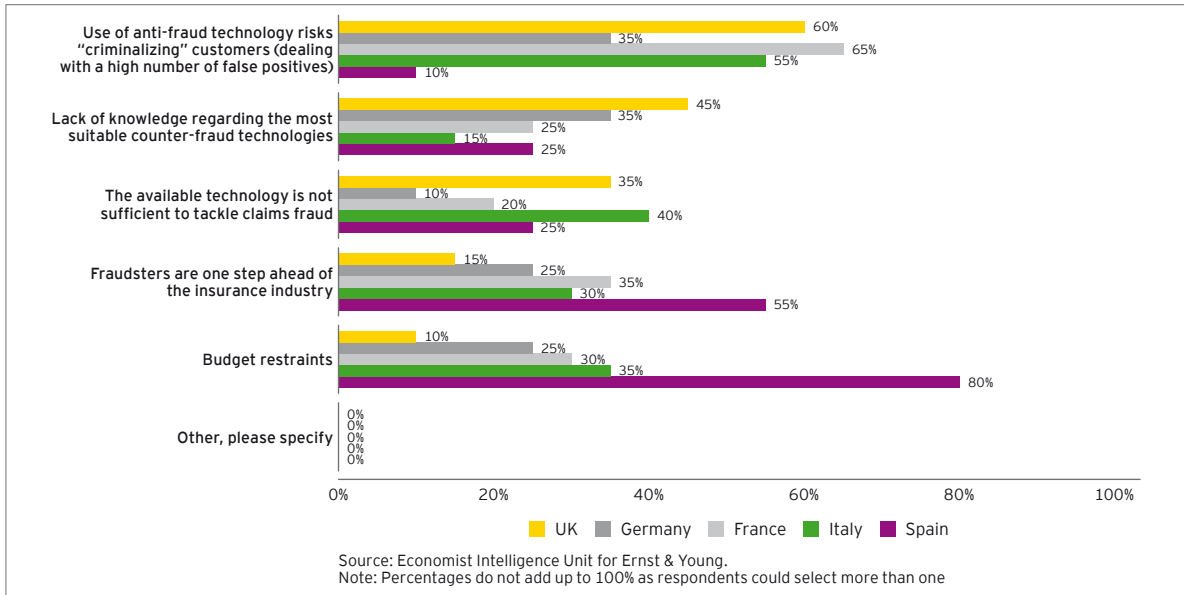


Felix Tarradellas, Claims Director for Zurich in Spain, agrees that fraud is very much a catalyst for transformation. He explains that technology can help deal with fraud, but that attempts are hindered by a lack of data sharing. “We are not allowed to exchange information with other companies to look for cross-fraud between one company and another. We are not allowed because the data protection laws are so harsh here in Spain that we can only manage our own customers’ information,” he says. “If we were able to exchange information with other companies, we would be more effective.”

Allianz’s Mr. Gibson identifies fraud as a huge issue. Out of Allianz’s 750 claims handlers in the UK, 75 are dedicated to spotting fraudulent claims. For Mr. Gibson, the solution needs to be holistic, combining both technology and people skills.

Insurers are also aware that they need to tread carefully when tackling potential fraudsters. In particular, it is important that genuine claimants do not feel they are being treated with suspicion. In France, 65% of those questioned said that the major challenge in claims fraud detection is the risk of criminalizing customers with the use of anti-fraud technology. This is also high on the agenda for respondents in Italy and the UK.

What are the major challenges in claims fraud detection?



Of course, fraud is not the only issue. The survey results indicate varied approaches from country to country in also addressing the problem of claims leakage. Increasing automation in the claims process and streamlining business processes were often cited as strategies deployed to deal with claims leakage, as was the training and development of staff.

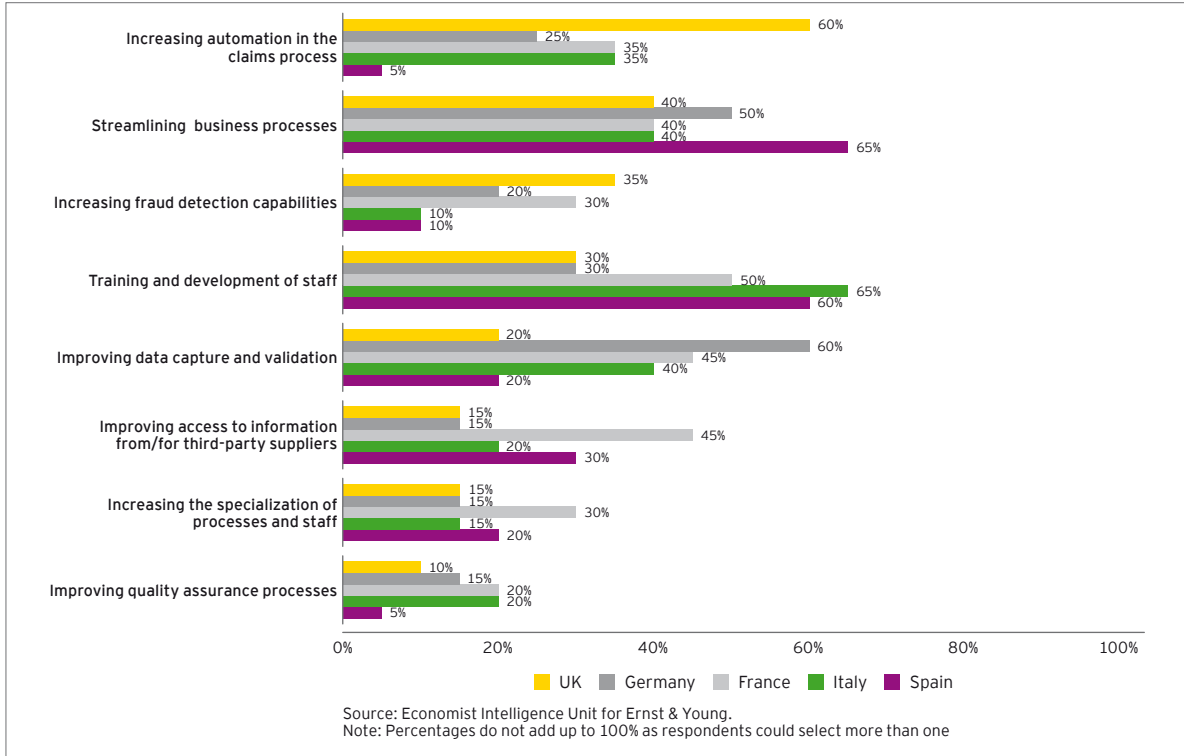
Laurent Corbineau Partner, Ernst & Young Advisory (France)

"In France, insurance companies have joined the ALFA agency to fight against fraud. ALFA's mission is to promote measures and ways to detect fraudulent claims. ALFA notifies insurance companies of studies, methodologies, and technical developments providing them with IT exchange of information and a network of certified agents who conduct private research.

Despite the efforts of authorities and also insurers, insurance fraud is rising steadily. This is harmful for everyone in any form and insurers want to fight against it effectively without risking their relationships with honest customers."



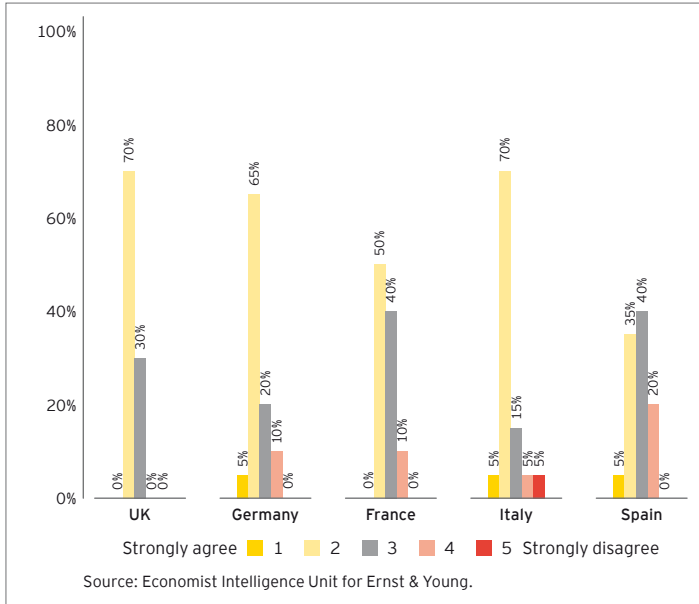
What is your organization doing to eliminate claims leakage?



With Solvency II on the horizon, regulation has been a leading concern for insurers. But actually how far claims management functions have had to adapt their processes is questionable. In fact, only 15% of respondents identified regulatory requirements as a main driver of change in claims management.

Ana Irigoyen, Head of the Claims department for QBE in Spain, observes that while regulation has an impact on claims handling, it has not caused any changes in recent years because systems have already been adapted to comply with the regulatory requirements.

Do you agree or disagree that regulatory requirements have led to increased claims management costs?



In the UK, the regulatory focus has been on protecting the insured and there is a view among insurers that, as long as the concept of treating customers fairly is ingrained in their corporate culture, then complying with this aspect of Financial Services Authority regulation should not be problematic. As David Bonehill, Claims and Risk Services Director with Ecclesiastical Insurance, emphasizes: "In terms of FSA regulation, I take the view that regulation shouldn't cause us any challenges. Treating Customers Fairly is a good example, because, while some companies were challenged, it did not cause us any concerns because we are very customer-centric anyway."

Mr. Bonehill adds that the current focus as far as regulation is concerned is on data quality, particularly around Solvency II.

As insurers and their claims functions continue to adapt to developing regulatory environments, as well as ongoing claims leakage issues and customer demands, they are also coping with the increasingly frequent phenomenon of the "claims surge" where extreme weather events or even civil unrest can push claims management strategies to their limits.

Andreas Freiling Partner, Ernst & Young GmbH (Germany)
EMEIA Insurance Sector Leader

"Solvency II forces insurance companies to improve efficiency and enhance controls around their internal processes. This requirement does not stop at the claims process. In the context of consumer protection, regulators will have to take a closer look at the risk and control environment in claims management, especially as any claims event implies immediate interaction between an insurance company and the insured."



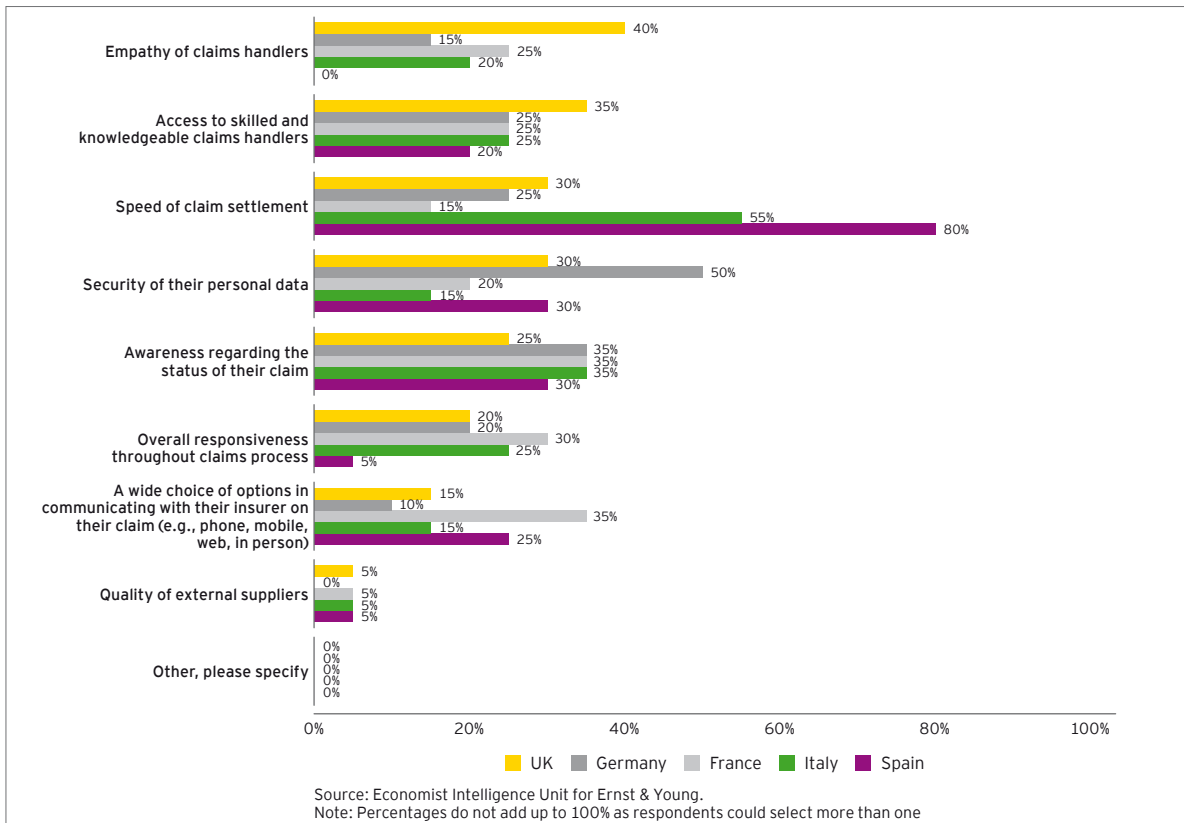
Spotlight on

Keeping up with changing customer expectations

Our survey clearly substantiates that increasing customer expectations are a key driver of change in claims management. This reflects a growing view that, in a particularly competitive environment, the ability to achieve high levels of customer satisfaction can be a significant advantage.

The problem for insurers is that customer expectations can be something of a moving target. One of the messages to emerge from the survey is that they also vary significantly from country to country. The vast majority of Spanish respondents (80%) and a smaller majority of Italian respondents (55%) identified “speed of claims settlement” as their top priority for their customers in the claims process (beyond fair settlement). In Germany, “security of personal data” attracted the most respondents, whereas in the UK, “empathy of claims handlers” was selected by the majority, closely followed by “access to skilled and knowledgeable claims handlers.”

What are the top priorities for your customers in the claims process (beyond fair settlement)?



The question is: how can insurers address the many and varied demands of their customers? The answer lies in a careful balance of skilled, experienced claims handlers and effective technology solutions. QBE's Ms. Irigoyen defines good claims experience as: "A quick response, communication and efficient solution and settlement." Within that definition, the role of technology does, for Ms. Irigoyen, matter "a lot – especially when you have volume. If you have a lot of cases, it is important to [handle] them with an efficient system that captures the information. If your system is not good enough, you cannot provide a good response to the customer."

One area that looks set to change dramatically is the channels customers choose to communicate with insurers in the claims process. In particular, according to the survey, insurers believe that, in the next five years, there will be notable increases in the numbers of customers using the web, as well as mobile devices or apps. If claims leaders want to keep up with this, they will need to adapt their IT and processes accordingly.

In the UK, Allianz has been intensely examining the customer journey. Mr. Gibson explains: "What we are tending to find is that certain people like to use certain mediums and therefore expect the whole customer journey to happen through that medium – buying insurance: mid-term adjustments, renewing a policy, making a claim, managing a claim, settling a claim – all via whichever methodology is their preference."



Laurent Corbineau Partner, Ernst & Young Advisory (France)

"It's a surprise to see that insurers believe that one of the top priorities for French customers is not "speed of claims settlement" but rather a series of other factors relating to the quality of claims processing. This is especially true regarding the follow up process. Only 15% of insurers in France cited "speed of claims settlement" as the most important thing. It's very low when compared with the other countries. We recommend clients invest in an extranet and workflow tools to offer a better response to claimant expectations."

There is a high level of consensus that, particularly as younger generations become insurance buyers, they will expect to be able to communicate with their insurers via multiple channels. There is widespread recognition among insurers – both in the claims and underwriting environments, that those who cannot provide these capabilities will ultimately lose out.

Samuel Revenu, IT Director at April Sante Prevoyance France, says: “We need to ensure that we are up to date and in line with the services our clients want and expect. If they want to make a claim via their smartphone, for example, we need to be able to make that happen.

Stanislas Chevalet, Chief Operating Officer and Head of Digital & Brokers Channel and Efficiency Technology and Operations at BNP Paribas Cardif, says: “The biggest change has been the multichannel processing system. Customers expect to be able to register their claim by email or by post, to be kept informed online or on their mobile of the status of their claim and to have a personalized contact in call centers,” he says.

Imran Ahmed Partner, Ernst & Young LLP (UK)
EMEIA Claims Advisory Leader

“Insurers need to approach technology implementation in the right way – build for the customer of the future not just the customer of today. Our experience suggests a largely internal focus on technology is one of the key things holding companies back from responding to customer demand. I would argue that insurance companies need to be thinking much more about the customer journey than they currently are in addition to the drivers of internal efficiency and claims indemnity cost. Of claims technology implementations underway how many insurers are actually configuring their processes and technology in a way that allows for customer self service? Many current implementations that we see will still rely on the claims handler being heavily involved – however, the insurers in our survey are telling us that their customers want a mix of face-to-face and technology to support their claim.”



Another trend that claims leaders are watching is the demand for claims transparency and claims tracking. Providing these facilities calls for a high level of sophistication in connectivity with third-party suppliers, which, in itself, is proving to be a priority for claims leaders.

Catherine Armand, Head of Claims at GMF France, says: “For our clients, the external parties we work with are essentially part of GMF, so the quality of the work they do is very important to us. For this reason, it is crucial that we have the necessary technology to monitor their performance and ensure that they are providing a service that is in line with our standards. We already have systems in place to do this, but these could still be improved and that would certainly be a useful development for us.”

Claims tracking attracts mixed views from claims leaders, but is largely seen as an emerging trend that they need to watch, and one that is likely to grow in importance for their customers. There is a view that offering customers the facility to track a claim can have advantages for the insurer, as well as the insured. If the policy holder wants to track their claim online, this frees the insurer's resources, leaving claims handlers time to focus on tasks other than updating concerned claimants.

Some industry experts believe its greatest importance lies in the context of replacement and repair services. Mr. Bonehill agrees: "We use it in the motor arena quite a lot at the moment. So, if you have a motor claim, you can track issues like when is your vehicle going into the garage, what stage is the repair at and when is it likely to come out at the other end."

Roland Stoffels, Head of Claims for Generali in Germany, rates transparency of information in particular as "very important". He observes that a lack of it will inevitably attract negative customer feedback at the end of a claim process. He points out that the technology is already being used in other industries and he expects it to grow in the claims-management arena too.

Claims leaders are keen to emphasize that high service levels are key to customer retention. But can the claims process really win or lose customers? Mr. Stoffels is not alone in believing it can: "From my point of view, the customer experience in the case of claims has a huge influence on their loyalty. We collect customer feedback. We talk to them and we keep a close watch on the customer's behavior on their contract after the file is closed."

A report recently published by Ernst & Young* indicates that "good" customer service is not enough to make a difference to customer loyalty. But providing "excellent" customer service can still encourage customer retention. The message is that claims functions need to invest in the customer journey in order to make a significant difference and reap the rewards.

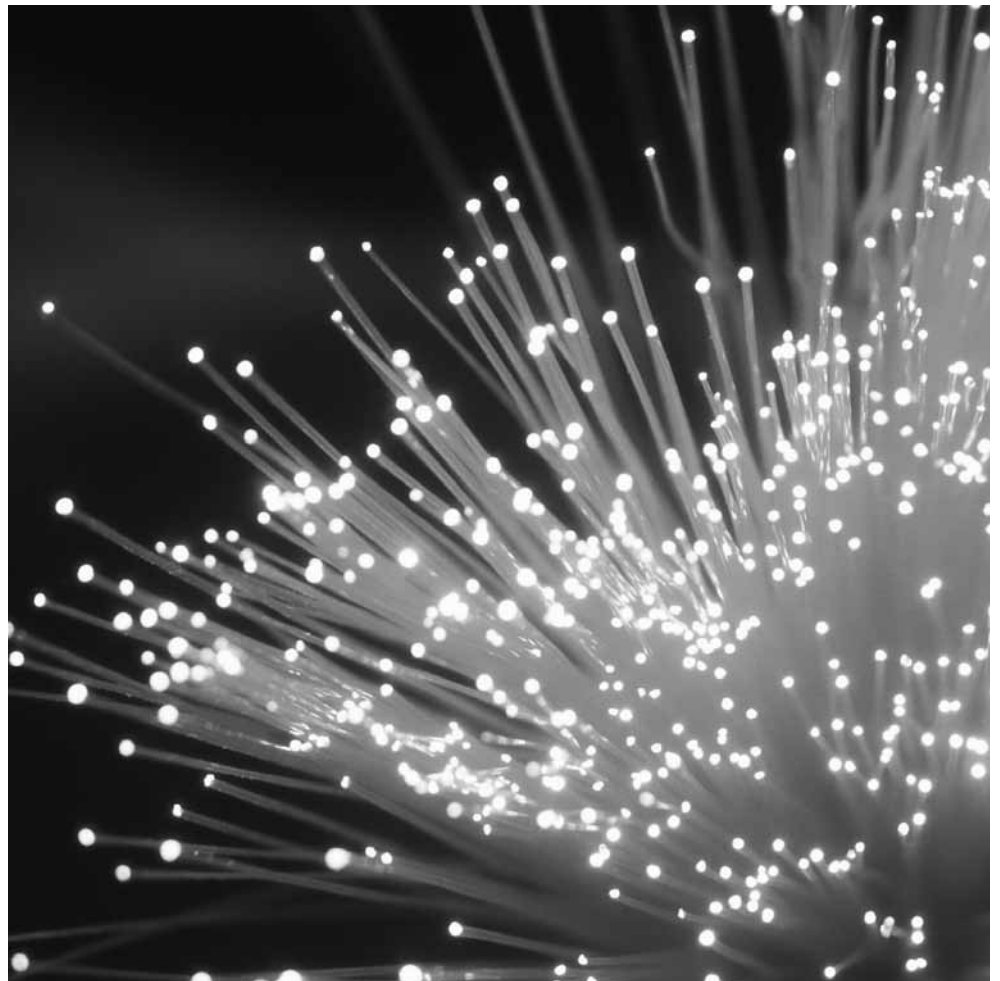
* *European motor claims: is customer satisfaction enough?* Ernst & Young, 2010.



Paul Sparkes Partner, Ernst & Young LLP (UK)

EMEIA IT Advisory

"We expected more efforts would be focused on interactions with customers through web and mobile technologies. Based on survey results insurers currently appear focused on automating people processes. We are witnessing an acceleration toward having a "solution" now (to compete with other firms), by implementing a digital or mobile response in a phased manner: front-end portal to operational systems integration is high on current agendas, moving back-end legacy systems integration to the "do later list". We expect subsequent phases will see an emphasis on end-to-end integration, adoption of open versus vendor based standards along with efficient data (structured and unstructured) management tools and techniques. This will ensure that information is generated as a by-product of processes to meet the growing demands of real-time management information stored efficiently to control risks and storage costs. The leaders will continue to capture benefits through digital consumer engagement (via claims management etc.) and effective legacy systems decommissioning in parallel."





Technology investment priorities

Increasing the effectiveness and efficiency of claims management

Insurers cannot be accused of standing still when it comes to investing in claims management technology and there is widespread awareness of the need to keep pace with change. Beyond the consensus that the right technological solutions can help meet those all-important customer service expectations and achieve operational efficiency, there is widespread recognition of the need for better data management, as well as for more efficient interactions with external suppliers and third parties.

The need for better data management is identified by survey respondents as the second-largest factor driving change in claims processing across the insurance industry (after customer expectations). This is particularly true for respondents from Germany and Spain.

Data management is also in the top three areas respondents are prioritizing for change in their own companies. Again, the Spanish are most closely focused on better data management, with 65% of respondents saying that change in this area is their number one priority. Data management is also the top priority for the Italians (alongside improving the speed and accuracy of claims processing).

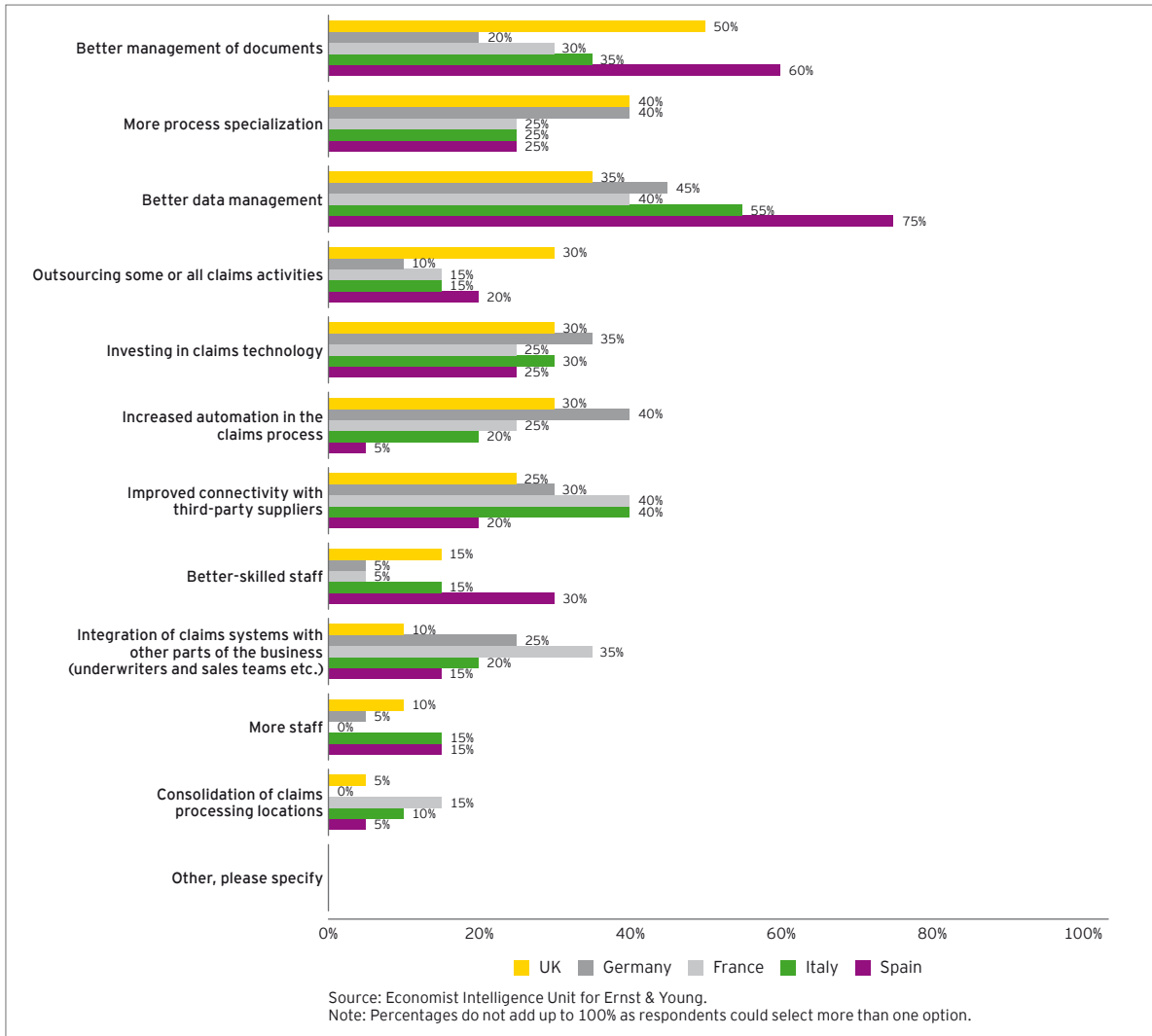
There is a good reason why survey respondents are seeing change in data management at their own organizations as well as across the industry: they recognize that better claims management is at the heart of increasing the efficiency and effectiveness of the claims management function. Also, respondents cite better document management as the area that would most increase their efficiency and effectiveness, after improved data management.

Dave Hollander Principal, Ernst & Young LLP (US)
Global Insurance Advisory Leader

"Data management is being ranked higher than we've ever seen it before. From a company perspective we know that customer analytics and modeling cannot be done unless high quality data is there."



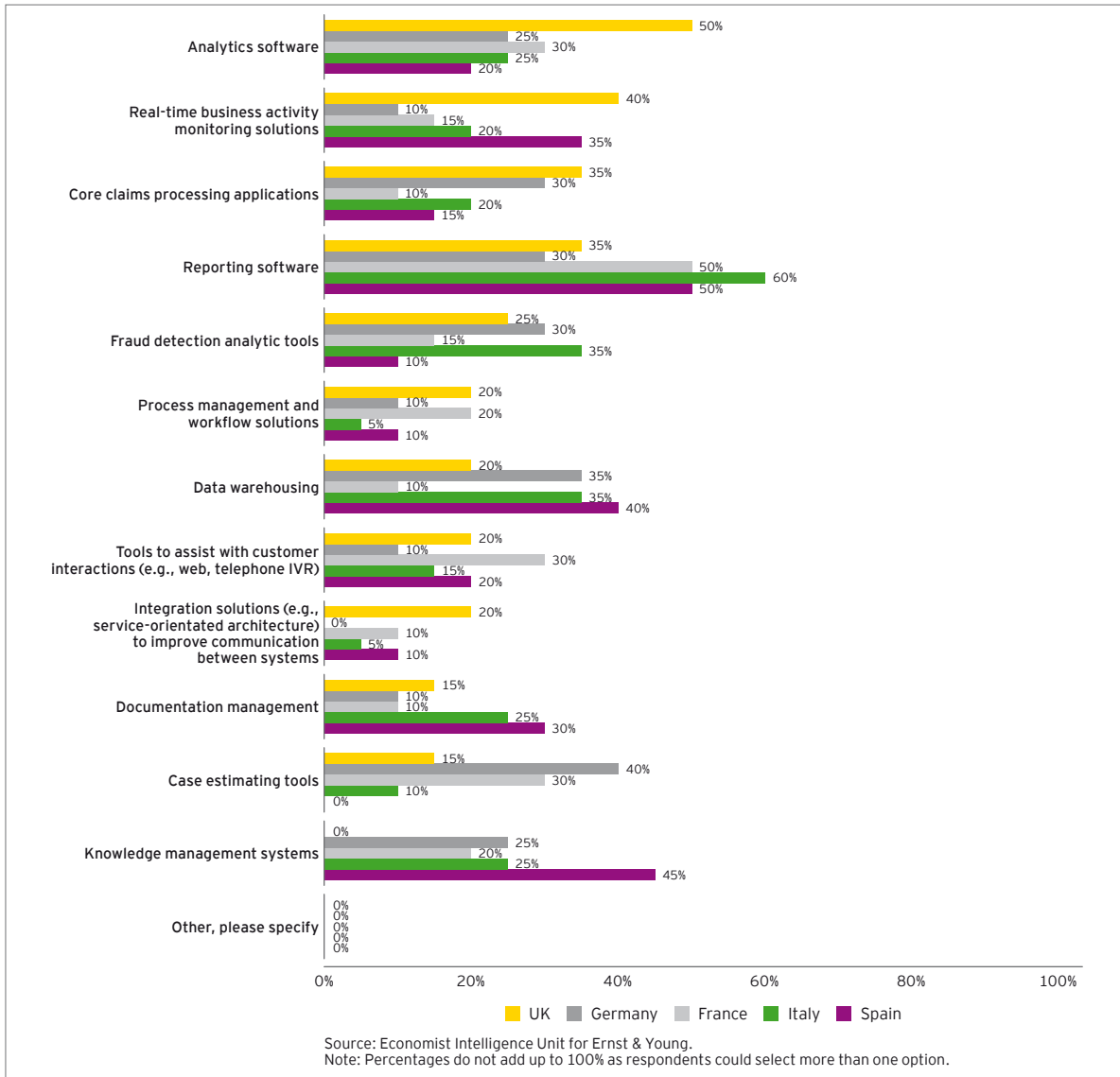
Which of the following would most increase the efficiency and effectiveness of your claims management function?



Insurers are therefore concentrating their technology investments in solutions that will improve data management. Reporting software is the top technology solution being considered by French, Italian and Spanish survey respondents, and a top-three choice for British and German respondents. Analytics software and data warehousing also score highly.

Ms. Armand of GMF France says: "It is important to invest in technology to analyse claims data as pricing policies correctly is definitely important to insurers. It is certainly a big subject for us. It is vital to make the right choice and the right technology is therefore also crucial to our success."

Which technology solutions are you considering to address issues faced in claims management?



It is interesting to compare and contrast the priorities of respondents who have undertaken a large-scale claims initiative in the past three years, and those who have not. Those who have are more likely to say that an improvement in capturing claims data and generating better management information are important drivers when investing in new claims processing technology. One inference is that those who have recently invested are finding that their new technology is not providing the solutions they need in this area. Those respondents are more likely to say that they are considering investing in additional reporting software, analytics software and documentation management.

Some insurers are investing in both core systems and complementary software, recognizing that this is necessary to achieve the desired level of data management. Martin Milliner, Technical Claims Director at LV=, points to the insurer's recent investment in the Guidewire ClaimCenter solution, in line with a move away from operating off multiple platforms. He explains: "We're gradually modifying and migrating our systems onto a single platform (that is, Guidewire's ClaimCenter product) and at the same time re-engineering ancillary parts of that core platform and investing in new scanning and document management systems and also our integral MI data warehouse. So it's not just an investment in the claims architecture but also in the wider enabling hardware and software."

Surprisingly, documentation-management solutions are not high on the list of investment priorities, despite survey respondents pointing to better document management as the change that would most increase the efficiency and effectiveness of their claims management function. However, claims leaders interviewed for this report emphasize the importance of different types of document management, particularly electronic or paperless claims management, in increasing efficiency and providing better information for management.

ACE European's Mr. Albrecht explains: "I see the system that allows paperless file work as a tremendous improvement. We can move workloads from one entity to another. We can measure the workload. It's been a real improvement and the better IT systems allow more detail in management information, and there's a much clearer view about the risk." He adds: "I had this discussion with colleagues from different carriers, and all of them share the same perspective."

Emanuela Turri, Claims Manager at XL Insurance in Italy, points in particular to speed and ease of access to information as the main benefits of switching from a paper-based to a paperless environment. "It was really a big change and one that brings immense benefits," she asserts.

Ecclesiastical's Mr. Bonehill adds that electronic case management is particularly useful in improving customer service. He observes: "In terms of customer service, if you've got electronic case management, when a customer phones, you have immediate access to their records. It means that we can talk with authority because we've got customers' records in front of us and we can help, support and provide solutions."

Andreas Freiling Partner, Ernst & Young GmbH (Germany)
EMEIA Insurance Sector Leader

"Over the last few years, many insurance companies have focused on growth. As organic growth is difficult to achieve in saturated markets, acquisitions of companies, portfolios and/or distribution vehicles were the only valuable options. It does not come as a surprise that data quality and data management have become a material issue for claims management, given the variety of IT systems coming together."



Graeme Veale, Claims Operations Director for Markel International, is also keen to highlight the advantages inherent in document management systems. "Obviously, nowadays we're receiving everything electronically, whether it's attachments to emails or emails themselves, and you don't want to print those out and put them in a paper file, you want to drop them into a document management system. The advancement in those systems gives you quicker access to the documents," he observes. He cautions, however, that people should not look to carry out the processes as they would in a paper world. "With an electronic file, you've got to think about the way you index that file," he observes, adding: "You really need to consider issues like indexing and naming conventions."

Insurers also need to make sure their systems can help in the management of physical resources, particularly in crisis situations and during "surge events". Mr. Gibson of Allianz emphasizes the crucial role of the insurer's image and telephony systems in managing resources. As a case in point, he cites in particular the part these systems played during the extreme weather events at the end of 2010. "During the bad weather at the end of last year, at any given time, there were inevitably people who couldn't get into work – which meant we were operating below our normal capacity. But with our image technology and our telephone technology, we were able to re-direct calls and move work around very quickly," he says. "During that period, our telephone service did not degrade at all, so that really paid for itself. Telephony and image helped us move work around to continue to meet our customers' needs, and especially at a time when many of our customers were having problems themselves," concludes Mr. Gibson.

Efficient interactions with external suppliers and third parties are also a high priority for change in claims operations (see: "Working effectively with third-party suppliers"). For nearly one-quarter of respondents, the inefficiencies in dealing with external suppliers in the claims process are contributing to rising claims settlement costs. Furthermore, improved connectivity with third-party suppliers emerged as an important factor in increasing the efficiency and effectiveness of the claims processing function.

Ms. Armand of GMF France says: "When it comes to communicating with other insurers and partners, emails are not a great way to stay in contact, because they are difficult to record. Consequently, very few emails are now used in our communications with other insurance companies and, instead, we use intelligent messages where the information contained is recorded automatically."

Companies that have undertaken a large-scale claims initiative in the past three years are much more likely to say that they are currently prioritizing efficient interactions with external suppliers and third parties.

Mr. Tarradellas of Zurich Spain, says: "Here in the Spanish market, we have been focused a lot on communications between companies. For example, how to claim between company and company: how to answer, and how to send documentation and information from one company to another. So this is a more of an efficiency-of-processing vision. I would say it has developed a lot of inter-company communications systems that are quite advanced here in Spain compared with other European countries."

Some insurers are still grappling with updating or replacing outdated legacy systems and integrating systems from different parts of the company. Yann Le Cae, Head of Claims at Groupama France, says their current claims strategy is “full automation”. He goes on to explain: “We started the latest big change in 2004, which was when we began completely modifying the system by interfacing the old system, which we have conserved, with new technology. It was a huge challenge because there are lots of different companies and sales points within the Groupama network. However, now we are all on the same system.”

Allianz’s Mr. Gibson asserts: “I believe that insurers operating legacy systems will very shortly find themselves at a competitive disadvantage.” This point is confirmed by LV’s Mr. Milliner, who observes: “Legacy systems that may have been appropriate for us five years ago, strategically would not stand up today.”

Stefano Bellandi Partner, Ernst & Young Financial – Business Advisors S.P.A. (Italy)

To satisfy the actual needs of an insurance company, claims management systems have to be based on all the elements of a modern architecture:

- ▶ A portal needs to be open to a multi channel approach
- ▶ A workflow tool to manage specialized processes for different types of claims in an automatic way
- ▶ An objects architecture to be able to maximize the workflow
- ▶ A rules engine to address the claims correctly and to detect fraud
- ▶ A data warehousing and a data mining system to manage the claims organization and define new rules
- ▶ An open and standard architecture to be easily connected with the value chains of the third parties



Spotlight on

Working effectively with third-party suppliers

Continuing to achieve efficient interaction with external suppliers remains a priority for change, particularly as insurers look for those all important reductions in the claims life-cycle.

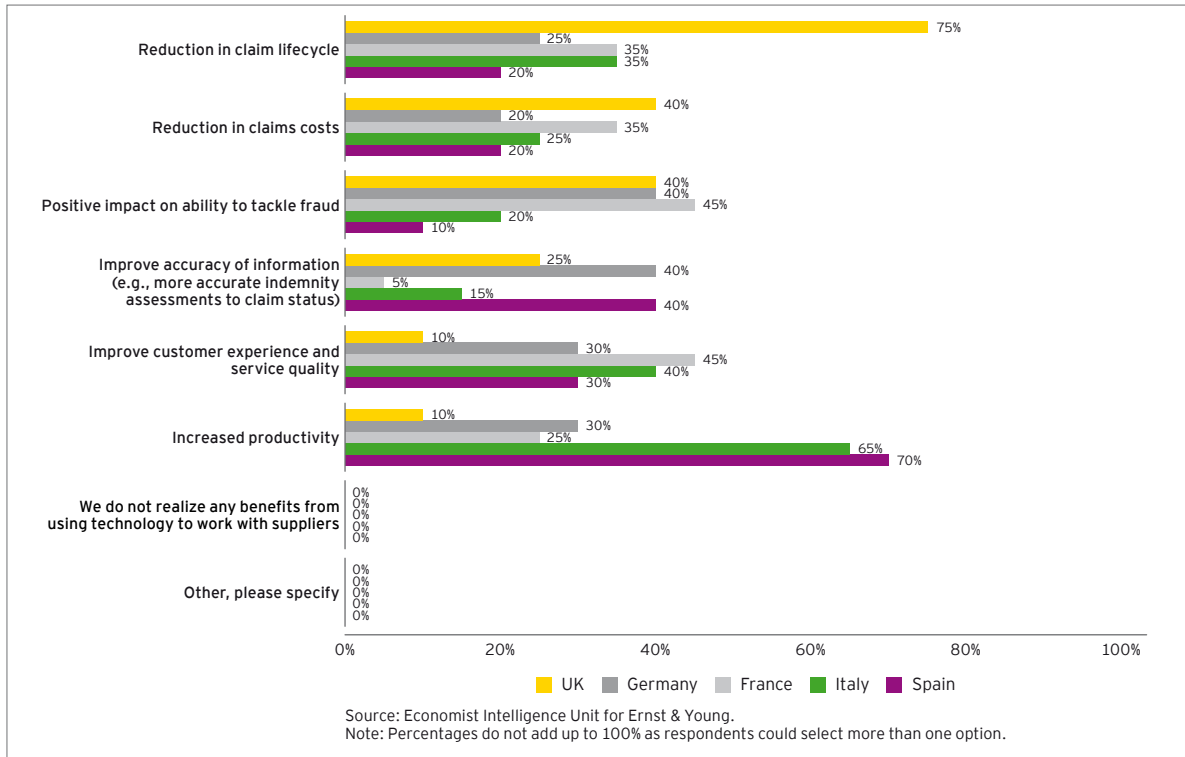
This is particularly relevant for claims functions that are looking to update their systems and processes. In implementing its current change programme, Ecclesiastical's Mr. Bonehill says: "One of the key deliverables of our new system is that it will enable us to talk more easily to our suppliers."

This sentiment is also echoed in the survey: 43% of respondents pointed to "better data exchange with third-party suppliers" as the most significant driver when investing in new claims management technology. This included three-quarters of Spanish respondents, as well as half of those in Italy and 40% of those in France.

Claims professionals cite a wide-ranging list of benefits in using technology to work with third-party suppliers – from reductions in the claim lifecycle and claims costs to increased productivity and improved customer experience and service quality. In the survey, 40% of respondents in both the UK and in Germany, as well as 45% of those in France, also identified the ability to tackle fraud as a benefit.

April Sante Prevoyance's Mr. Revenu, is focusing on, "the way we communicate with partners and making things happen faster. At the moment, a lot of the back-office work takes place at night, but we are looking into changing this. We want the information to be available 24 hours a day, or as close to that as possible ... the right system can help us to make better decisions. This in turn improves the experience for the client and means that our claims managers make fewer mistakes. The fact that technology can help us to avoid being taken in by fraudsters is also becoming more and more valuable."

What are the benefits of using technology to work with third party suppliers?



As far as customer service is concerned, an emerging message is that if insurers can interact efficiently with the myriad of third parties involved in the process, the claim is more likely to be settled with the speed and efficiency required by claimants.

Laurent Corbineau Partner, Ernst & Young Advisory (France)

“In the future, third parties and suppliers will really try to be more joined up in front of the insurer. We expect to see increased partnerships between third parties to benefit from economies of scale. The links would become more professional between these new groups of suppliers and insurers. Cost reduction would be the main objective.”



Ecclesiastical's Mr. Bonehill points in particular to the benefits of using technology in the context of replacement goods. Importantly, insurers need to be able to discuss the details of the items to be replaced with the insured, and relay that information and any relevant documentation directly to the supplier. This results in a much faster turnaround: "We literally press a button and the system sends our supplier the documentation around the customer and the product they want," explains Mr. Bonehill.

It is widely predicted that customers will increasingly look to track the progress of their claim and the insurers ability to meet this demand will depend heavily on their connectivity with everyone from loss adjusters to repair and replacement partners.

Patrick Dixneuf, Chief Operations Officer at Aviva Europe, emphasizes how the effective use of IT already allows the customer to remain more informed than in the past. "Everything that was paper oriented in the past can be done faster through IT and also in a more transparent way for the customer," he says, adding: "If you cannot settle a claim in one day, it is still good to give the customer some information about the status of their claim.

Given the very tangible business benefits of working efficiently with third parties, it is perhaps to be expected that this will be an area many insurers are prioritizing for change and development. In fact, 38% of those surveyed pointed to "efficient interactions with external suppliers and third parties" as a priority area for change. This sentiment was particularly prevalent in the UK, Germany and Spain.

There is widespread consensus that the way in which insurers communicate with loss adjusters in particular has developed significantly in recent years. Much of it centers on factors we already take for granted: the ability to upload reports onto portable computers, for example. Jeremy Pinchin, Group Claims Director for Hiscox, explains: "Loss adjusters working on iPads, for example, can take photographs, write a report, upload it and have it in our office within half an hour of them finishing the visit." It is that fast turnaround of information that helps speed up the claims process, ultimately reducing claims costs for the insurer and improving customer satisfaction levels.

Of course, suppliers and partners are not just selected on the basis of their technology. Mr. Veale of Markel International points out that attributes such as relevant experience and knowledge of the business and local market will of course come into play, as will reputation. But he adds: "When it actually comes to the ongoing relationship and dealing with the claims, then obviously, the technology is a huge factor."

Imran Ahmed Partner, Ernst & Young LLP (UK)
EMEIA Claims Advisory Leader

"Our experience shows that a high proportion of calls received in a contact center – in some cases up to 40% – are status chasing. Reducing these alone, by investing in technologies that enable customers to track the status of their claim, could make a material difference to the claims servicing cost base."





Approaches to investment in claims technology

Insurers are certain that their planned technology investments will prepare them for the challenges ahead. Over three-quarters (76%) of survey respondents are confident or very confident that the insurance industry as a whole is investing sufficiently in IT in order to improve the speed, efficiency and accuracy of claims handling.

While they might feel they are investing enough, one of the problems – if not necessarily a barrier – lies in identifying how or where to prioritize investment. As already mentioned, the survey found that insurers are prioritizing change in different areas ranging from the speed and accuracy of claims management to data management, as well as training and development of staff and efficient interaction with external suppliers.

It would be reasonable to expect that the financial crisis and recession of the past few years would have caused investment in claims management technology to slow. But while the perception among those surveyed is that the economic climate has had an impact on spend, the evidence from interviews carried out with claims and IT leaders across Europe indicates that investment in claims management is still very much a priority.

As Ecclesiastical's Mr. Bonehill observes: "Certainly in our company, and from what I pick up across the industry, I don't sense any slowdown in investment in technology. In fact, there is a real need for it and IT is moving at such a pace in terms of development." He also points out that in these difficult economic conditions, fraud becomes a significant focus area, and the ability to identify fraudsters remains high on the agenda.

XL's Ms. Turri concurs: "Sooner or later, the crisis will be over. If you do not have the courage to invest, whatever the reason is, when the cycle begins again, where will you be if you're already obsolete now?"

However, recognizing the need to continue investing goes hand in hand with an acute awareness of the need to demonstrate a cost-benefit analysis. Again, the messages are generally positive, with claims leaders confident that they can demonstrate tangible business benefits. As Aviva's Mr. Dixneuf says: "We have to be cautious where we invest, but if there is a good idea, we can find the investment."

Allianz's Mr. Gibson adds: "The issue for most insurers is that we are talking about significant investment. But having said that, the cost-benefit analysis is very clear."

It is difficult to tell from the survey data whether it is this need to demonstrate the value of their investment that is driving changes in the way in which insurers implement new technology. But the survey finds a marked shift in the way in which insurers are approaching their investments in claims technology. Around one third (32%) of insurers say that in the past three years their main approach to IT investment has been building a bespoke system. However, over the next three years, insurers say they are more likely to buy a technology tool and adapt it (36%) or enhance or re-platform an existing system (34%). This trend is particularly strong in the UK, where 45% have built bespoke systems in the past three years and just 5% have adapted a technology tool, but, over the next three years, those numbers will reverse.

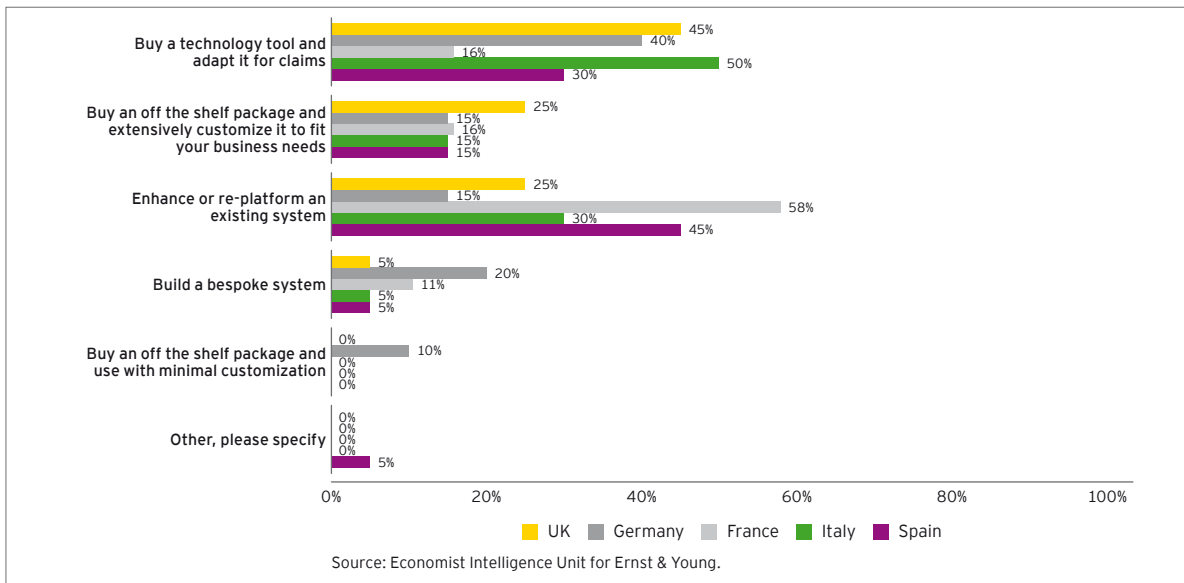
Laurent Corbineau Partner, Ernst & Young Advisory (France)

“Most of the French insurers who responded to our survey would prefer to improve their existing system than to implement a new IT platform. Our experience is that in France there are a large number of claims management platforms with lots of staff and major HR constraints. The main goal of insurance companies is to do more to improve the skills of their staff than to achieve greater productivity through IT tools. Most French insurers I speak to have heavily invested to develop a bespoke system and do not intend to implement a new platform in the near future.

Insurers cannot for political reasons remove a lot of back-office staff in France. Hence it is not worth investing heavily in technology as they will not be able to achieve the savings. Once these back-office staff who have been mainly recruited in the seventies retire, things will change.”

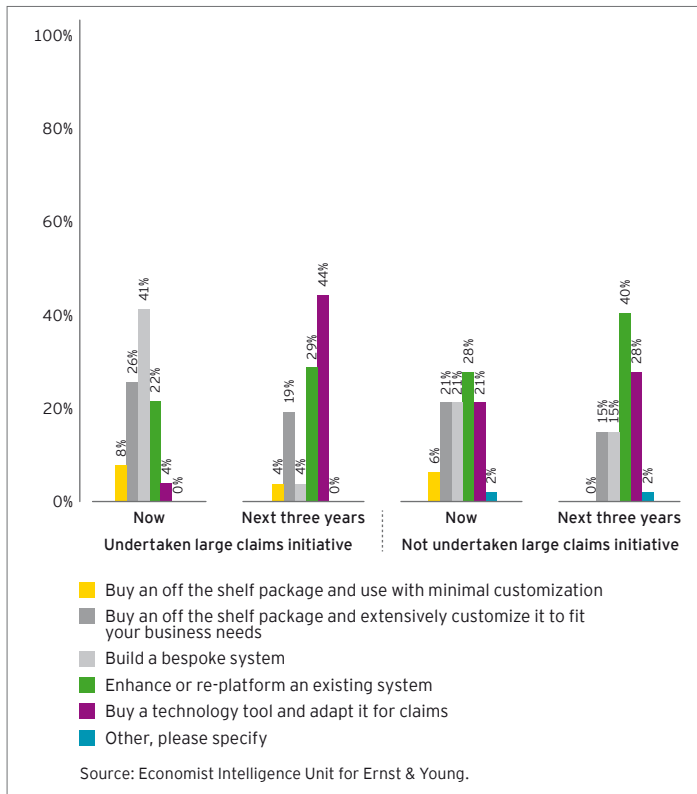


What will be your main approach to investment in claims technology over the next three years?



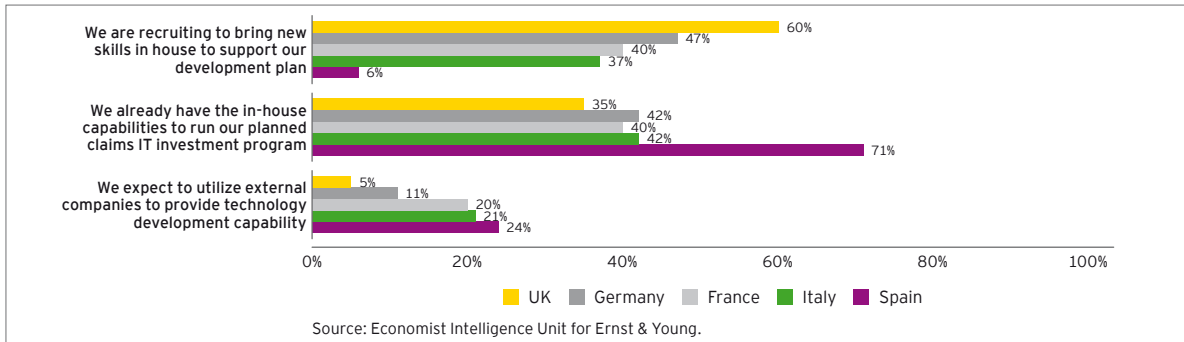
This shift is explained by comparing the survey respondents who have undertaken a large-scale IT claims initiative in the past three years with those who have not. Of those who have, most have built a bespoke system in the past and are now planning to buy a technology tool and adapt it for claims.

What has been your main approach to investment in claims technology? What will be your main approach to investment in claims technology over the next three years?



A related emerging trend is that of keeping IT development in-house, rather than outsourcing. On the surface, this may seem counter-intuitive: if insurers are not building bespoke systems as much as they did in the past, why would they still believe they need such strong in-house capabilities? This disconnect is particularly marked in the UK, with 60% of respondents saying they are recruiting new skills in-house, despite only 5% planning to build a bespoke system.

What is your sourcing strategy for developing your claims technology?



The answer may lie in the amount of customization insurers plan for the tools they purchase. Whether they have undertaken a large-scale claims initiative in the past three years, the investment plans insurers are making for the next three years require customization or adaptation. Only 2% of respondents said they would be able to buy an off-the-shelf package and use it with minimal customization.

Paul Sparkes Partner, Ernst & Young LLP (UK)
EMEIA IT Advisory

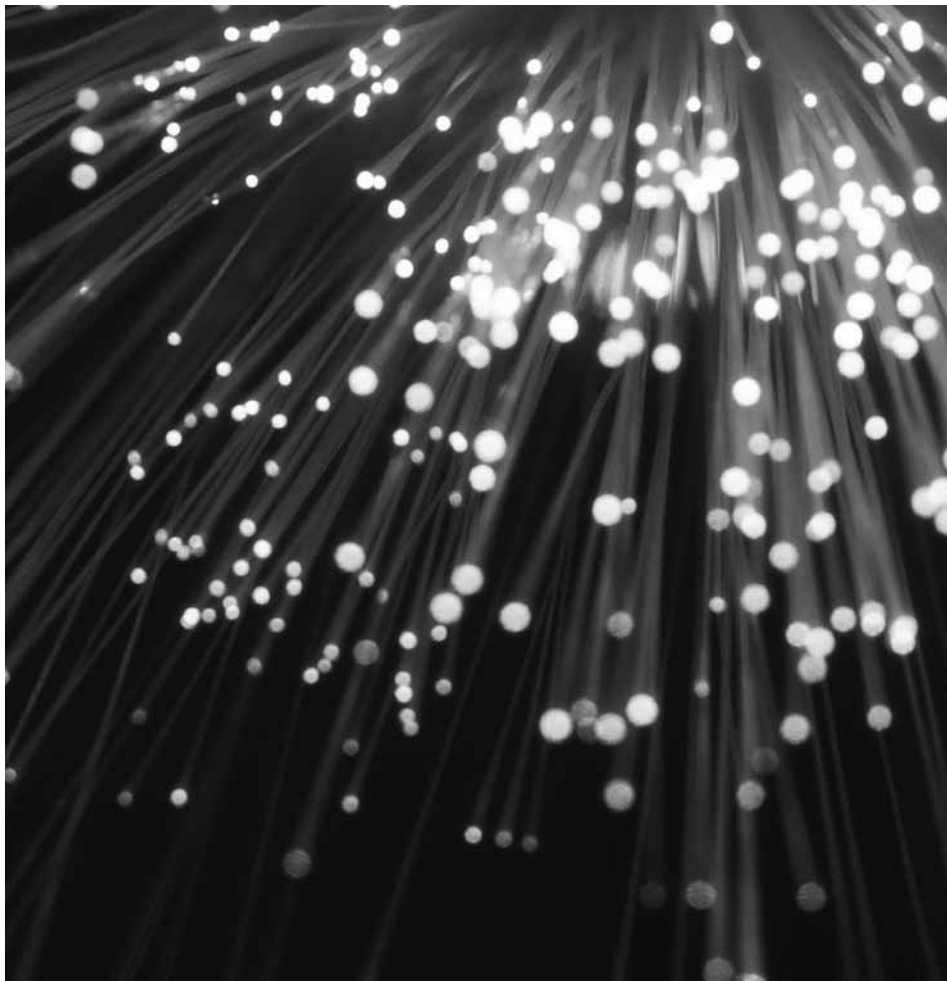
“While there are few big surprises here in how claims leaders are moving away from bespoke systems to tailored packages – mostly resulting from the evolution of high quality solutions – what we do see as interesting is the consensus across European insurers on the challenges they face in trying to implement the solutions within their own organizations. Three factors are clear and consistent issues: data migration, embedding business change, and maintaining that change in the process. Our view is that managing scope is one of the biggest challenges – defining how much process specification and diversity people need within their systems. Many firms are customizing packages extensively from native functionality which will create upgrade challenges in the future in terms of maintaining the integrity of their selected package based solution. Tailoring packages also requires different IT skills to building a bespoke system.”



Insurers interviewed for this report focus on the flexibility of this approach. Allianz's Mr. Gibson observes: "The main advantage is certainly around flexibility. And if we want to do something that is either extremely complex or if we need to do a very big build very quickly, then the right expertise can be brought in. So you are managing the day-to-day and you are outsourcing the complexity or volume in terms of IT build."

Dr. Riccardo Gamba, Technical Risk Manager at RSA Italy, says his company runs IT processes in-house. "In 2007-08 RSA Italy went through a deep analysis of IT strategy, considering potential outsourcing of IT processes," he says. "In a nutshell, the outcome was that, owing to the size of the operation, the potential benefits coming from full outsourcing are not enough to justify this decision. But some minor activities have been outsourced like the management of hardware and other non-core activities like management of anomalies."

LV's Mr. Milliner identifies continuity as another benefit of the in-house approach. "If you want to upgrade, or if you want to do further development, you have the people in your organization who can maintain that system and carry on its evolution," he says. "Your system is not just a nice new present, you need to have the people and the resources in place to manage it."





Realizing the benefits of new technology

There is a concern over whether insurers are fully realizing the benefits of new claims management technology. In particular, there appears to be a disconnect between what they say are priorities and where they actually invest. For example, 40% of survey respondents pointed to “customer expectations of speed and efficiency” as one of the main factors driving change in claims management across the insurance industry. Increased customer satisfaction is also considered a top three driver when investing in claims management technology.

However, customer and claimant management was only selected by one quarter of respondents as an area of claims operations that they are currently prioritizing for change, and less than one-fifth of respondents are investing in tools to assist with customer interactions. This last point is particularly important, as the survey shows that insurers expect a significant increase in customer expectations of using mobile devices or apps and social media to communicate during the claims process in the next five years, meaning insurers must be prepared to interact with customers through a variety of channels.

Zurich’s Mr. Tarradellas has recognized this need and in the past 12 months has begun piloting initiatives to expand the channels through which customers can communicate. “It is now in a period of change, especially related to communications through new devices like the iPad, iPod, and so-on, also related to social networks like Facebook and Twitter. All of this is new in Spain: there is a real boom here now,” he says. “We have to invest in and adapt our software to these devices for customers to be able to, for example, report their claims directly from their iPhone, attaching a photograph of the damages.”

Once insurers decide which areas to prioritize for change, in technology solutions to invest in and how to implement those investments, they also need to demonstrate that they have successfully implemented and are realizing the benefits of their investments. Survey respondents say that the ability to quantify and prove investment decisions is the top obstacle to implementing successfully and realizing the benefits from new claims management technology.

Unsurprisingly, respondents who have undertaken a large-scale claims initiative in the past three years were much more likely than those who have not to say that the ability to quantify and prove investment benefits is the main obstacle. Maintaining the momentum of a multi-year major change program and decommissioning old systems conclude their top three obstacles.



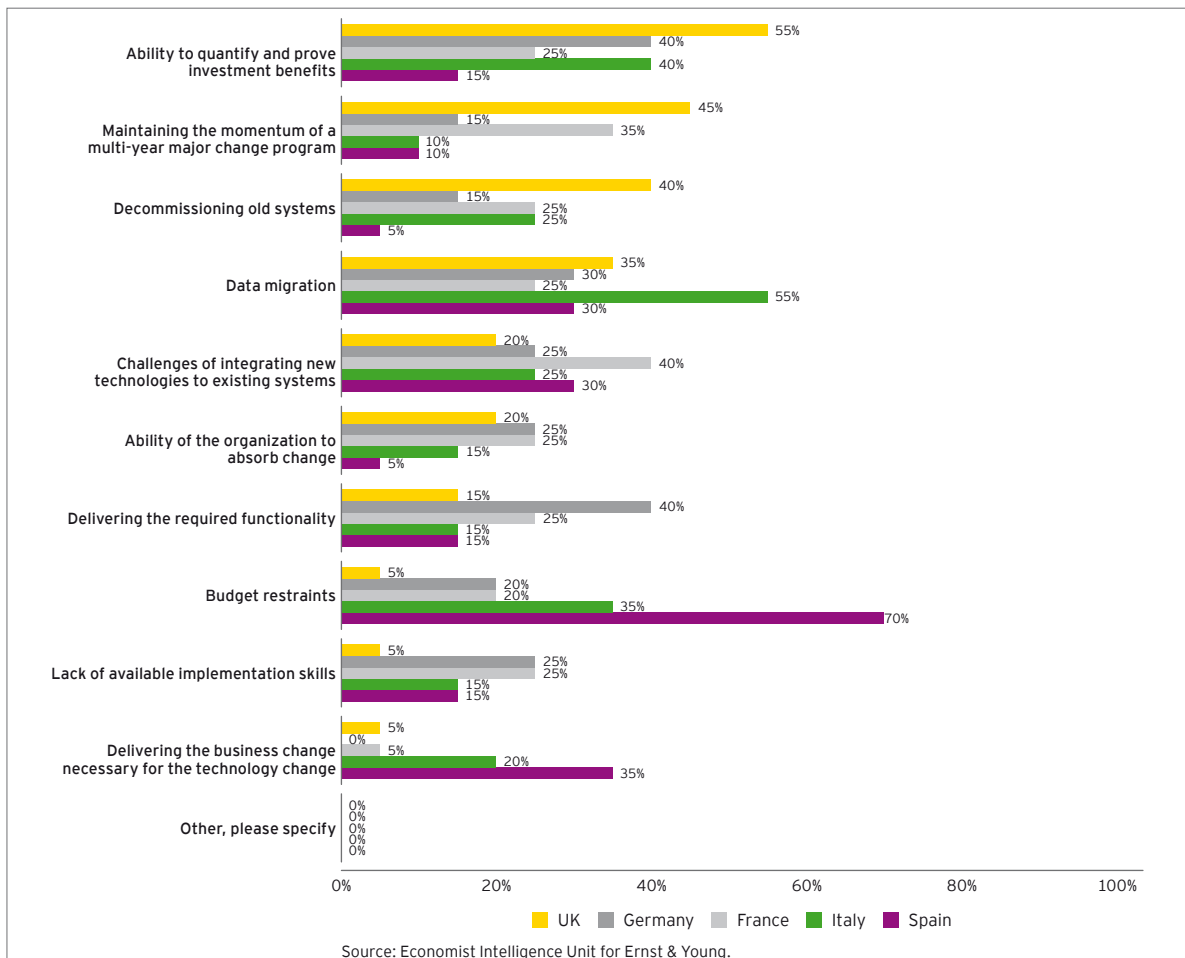
Imran Ahmed Partner, Ernst & Young LLP (UK)
EMEIA Claims Advisory Leader

“Insurers often underestimate the amount of change required to implement successfully a claims solution. Most claims platform replacements are significant and complex undertakings from a technical point of view with package configuration, data migration, and rules definition being part of the mix. An area that is often overlooked is the approach to dealing with the people change. For example, many of the new claims technologies may be replacing ‘green screen’ systems with modern MS Windows based interfaces – the types of process control being exercised may well be different. This can have the impact of creating uncertainty and challenge for the user community. A failure to deal with this effectively can impact user adoption and therefore the realization of benefits.”

The perceived obstacles to implementing successfully and realizing the benefits of new claims management technology differ widely from country to country. For example, 40% of UK respondents pointed to “decommissioning old systems”, but this concerned only 5% of Spanish respondents. In Germany, nobody saw “delivering the business change necessary for the technological change” as a major obstacle; in contrast 35% of those in Spain did. Furthermore, 55% of Italian respondents pointed to the problem of data migration, while that concerned only 25% of the French. One-quarter of those in Germany and in France were worried about the ability of the organization to absorb change, but only 5% of respondents in Spain viewed this as a major cause for concern.

Harald Neugebauer, Head of Claims, Non-life, and Senior Vice-President for Gothaer Versicherung, backs up the survey findings for Germany, stressing that delivering the business change necessary for the technological change can be a major obstacle. He says that the crucial factors in overcoming implementation problems are: “Stringent project management, testing ... and last, but not least, good training and mentoring of staff.”

What are the major obstacles you see to implementing successfully and realizing the benefits from new claims management technology?



Claims professionals also identify wider issues of concern during the implementation process. A common issue cited for pan-European and multi-national companies, for example, is the challenge of integrating an IT system globally. There is a view that the larger the organization, the more difficult it is to set up one consistent system.

Historically, the timescales involved in implementing new solutions or the level of training required for claims handlers would have caused particular concern. While these are still important considerations, there is some recognition that modern technologies are usually deployed more speedily now, and that systems tend to be sufficiently user-friendly for claims handlers to adapt to them more quickly. However, that is not to say that modern change programs can be achieved effortlessly. Presented with new systems and often significant transformations in processes, claims handlers will undoubtedly require support and training in order to adapt (see: "Supporting claims handlers with technology").

ACE European's Mr. Albrecht asserts: "From my point of view, the challenges lie in training people and helping them to adapt to the new system in terms of their hearts and their minds. It is a fundamental change." Generali's Mr. Stoffels agrees: "One of the larger problems is that if you implement new technology or processes, it is up to the claims handler to handle them. And it's not necessarily easy to train more than a thousand people to accept the process and to learn how to use new technology. It requires a lot of communication and training."

Asked about the inherent difficulties in implementing new systems, Jörg Fey, head of IT co-ordination property and liability insurance for Ergo, points out that: "If a new software/program/technology does not provide obvious advantages to the user (that is, the claims-handling agent) in advance, it is difficult to get him/her to accept it."

Mr. Fey also puts forward the view that: "When implementing new claims processing technology, those elements of process optimization involving service providers present the greatest challenge. We therefore place particular emphasis on early joint co-ordination of necessary activities and ensure the necessary quality by means of intensive end-to-end tests."

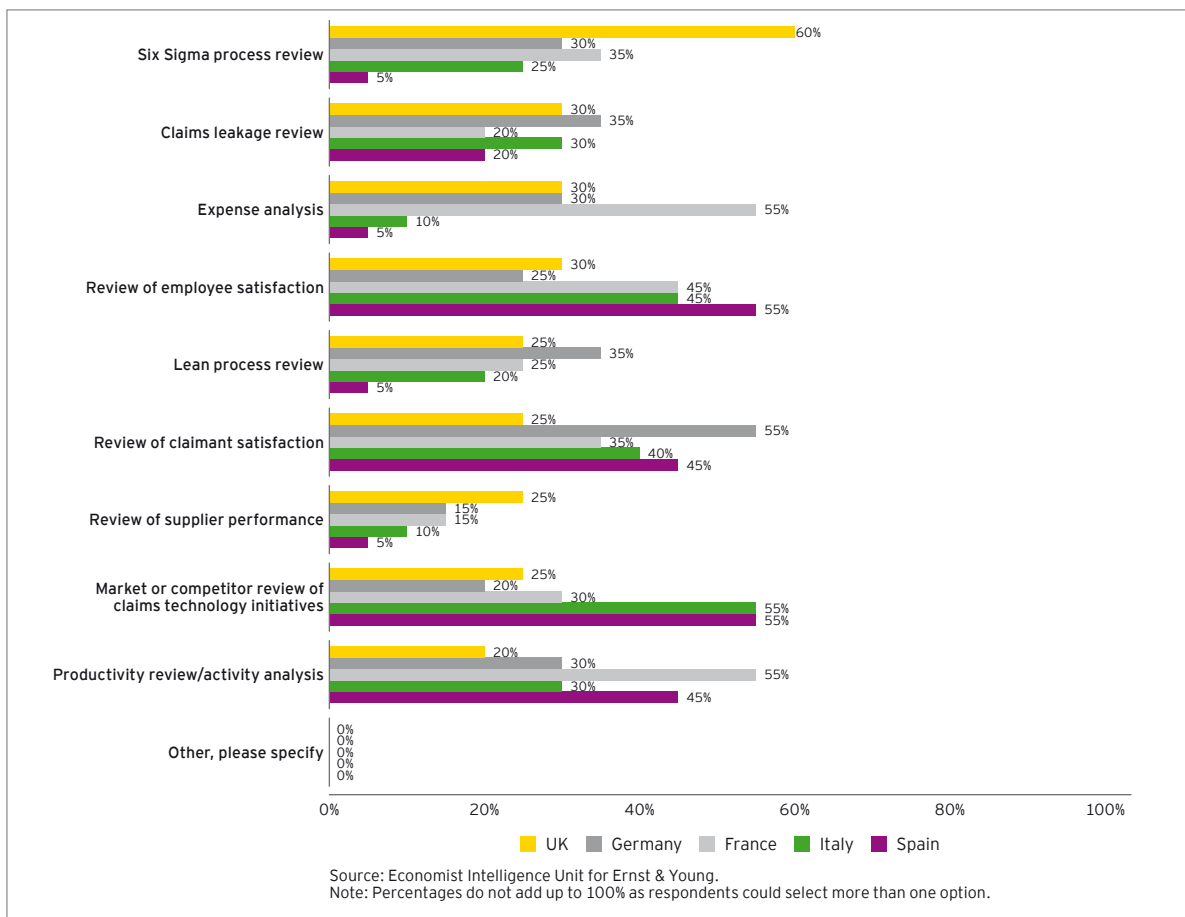
Nicole Michaels Principal, Ernst & Young LLP (US)

"Performing core systems claims transformation is second only to policy in terms of the costs and risks associated. Even with leading edge packaged software available in the marketplace scope creep, legacy systems integration and large-scale conversions can still derail and drive up the cost of an implementation costing a program multiples of planned spend and lasting for several years."



Given the many challenges to overcome when introducing new technology, it is clearly important for claims leaders to do their homework before embarking on a program of change. So what types of operational analysis are typically undertaken to support investment decisions in claims technology? Reviews of claimant and employee satisfaction appear to be high on the agenda. In addition, a market or competitor review of claims technology initiatives emerged as a priority for those surveyed in Italy and Spain. The survey showed evidence of diverse priorities. Notably, the *Six Sigma process review* was highlighted by 60% of UK respondents, but only 5% of those in Spain.

What operational analysis do you typically undertake to support your investment decisions in claims technology?



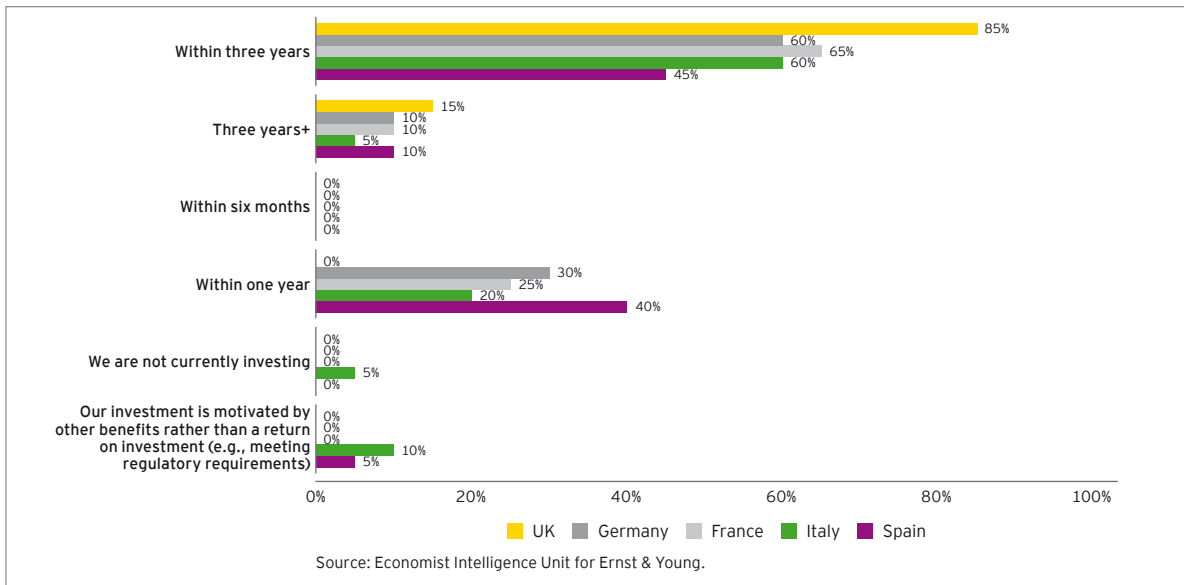
There is also pressure to see the benefits of IT investment fairly quickly. Most survey respondents believe they should be able to see a return on investment from a claims IT investment within three years. The Spanish proved to be the most demanding, with 40% of respondents expecting to see a return within a year.

Dave Hollander Principal, Ernst & Young LLP (US)
Global Insurance Advisory Leader

“While claims may provide a ‘target rich environment’ for improving claim outcomes, reducing expenses and improving customer service, the value of an endorsed business case should not be underestimated. While an ROI of three to five years is a common expectation, investment and resource fatigue commonly plague these projects. A thorough, signed-off and monitored business case is critical to ongoing corporate support of one of the most significant IT investments an insurer will make.”



How soon do you expect to see a return on investment from your claims IT investment?



Spotlight on

Supporting claims handlers with technology

The question of how technology supports claims handlers can be a contentious one, with insurers keen to emphasise that IT is there to enhance, rather than replace, people skills. The message tends to be that, as insurers look to retain customers and staff, technology is to be viewed as an enabler, rather than a cost cutter.

Hiscox's Mr. Pinchin asserts: "For us, the intellectual capability of the claims handler is broadly more important than the system they use." In fact, there is widespread consensus that, far from simply automating those all-important customer-facing jobs, technology solutions serve to free up claims handlers, allowing them more time to put their skills and experience to best use.

When investing in new systems, it is clearly important for insurers to be able to reassure their staff and their customers that human resources remain as important as ever. LV=’s Mr. Milliner explains: "One thing we don't want is to suggest that technology is replacing the human element of the job or de-skilling the roles that they already have. When we've gone about looking at the role of technology, it is there to enable our people to deliver better customer service and to support them in delivering a better overall result."

How technology is expected to support people working in the claims function at their organization differs from country to country. For Italian and Spanish survey respondents, providing access to data emerged as particularly important, while those in the UK and Germany were keener to highlight the issue of performance management. There was some consensus that providing access to documents is a significant issue, with 45% of French and Spanish respondents, 40% of Italian and 25% of German and UK respondents selecting this option.

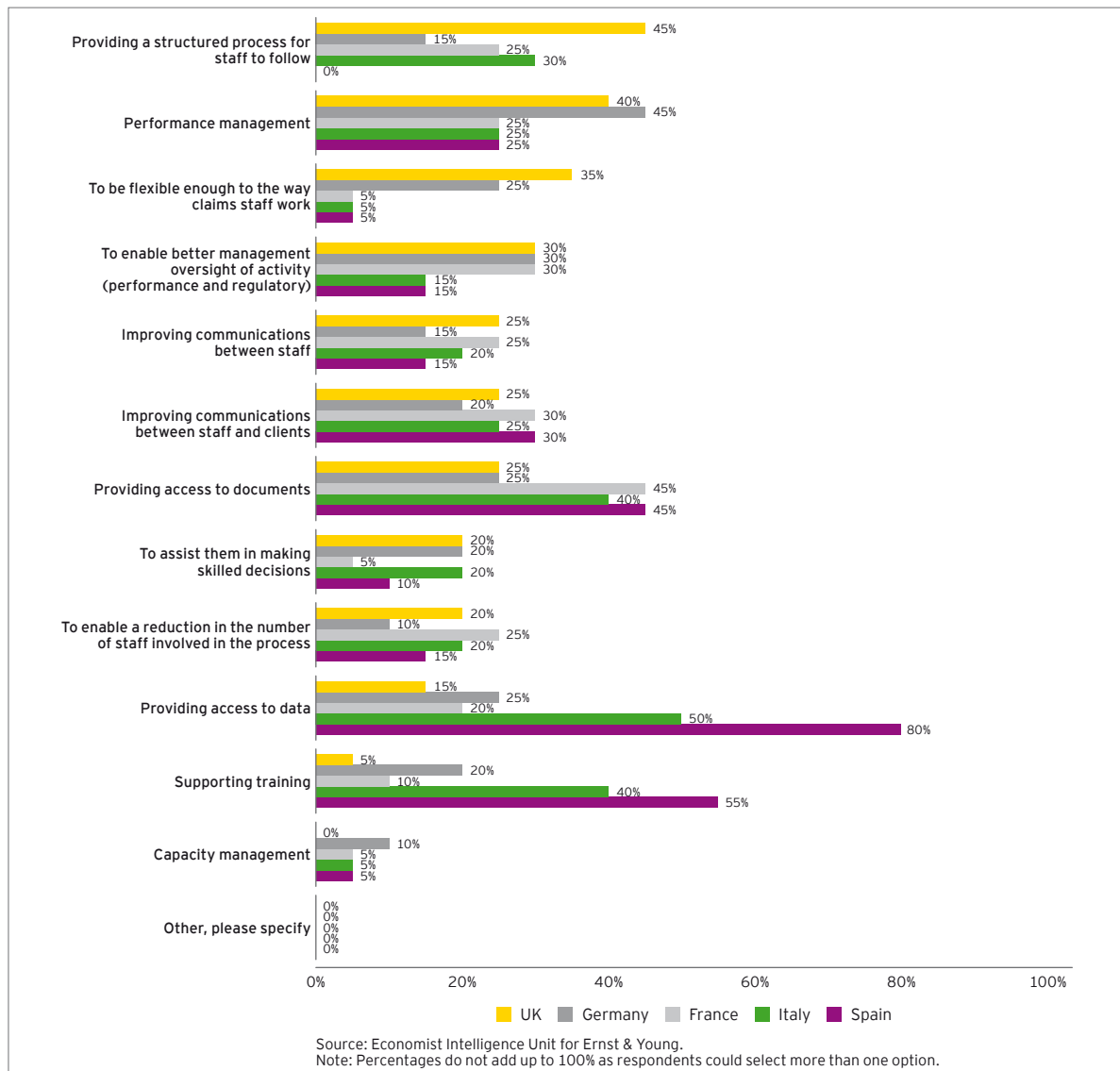
Dave Hollander Principal, Ernst & Young LLP (US)
Global Insurance Advisory Leader

"I see the same in the US – all too often claims technology today is either fairly antiquated or represented by a series of disparate systems. Claims professionals are multi-talented and highly skilled individuals that should be using their abilities to better serve the customer and fairly manage the claim in appropriate time frames. Their time is too frequently spent digging for the meaningful information and coping with decoupled and diverse technologies."

Imran Ahmed Partner, Ernst & Young LLP (UK)
EMEIA Claims Advisory Leader

"Claims handlers are on the whole served poorly by technology. I personally have sat with handlers in a range of companies in their contact centers to see what they have to contend with on a day-to-day basis. Sadly, for too many, this often involves dextrous toggling between multiple systems to read and input data, scribbling on pieces of paper and at the same time holding a lucid conversation with the customer! It is no wonder that the improvement that modern technology offers is so highly prized by claims practitioners themselves."

How do you expect technology to support people working in the claims function at your organization?



Other areas of technological support recognized by survey respondents included improving communications with staff, supporting training, providing a structured process for staff to follow and enabling better management oversight of activity (performance and regulatory).

Asked for practical examples regarding the way in which claims handlers are supported by technology on a day-to-day basis, Ecclesiastical's Mr. Bonehill points to the facility to prioritize workloads. He explains that the diary function in particular ensures that the relevant files are brought into the claims handler's in-box on a pre-determined date. "This kind of diary function is key because you really need to be proactive. We always need to be on the front foot with claims because the longer the claim is outstanding, the more expensive it is, particularly in the liability arena."



Conclusion

Claims management operations are under pressure from a diverse set of challenges from headline-grabbing extreme weather events to the ongoing battle against fraud. Claims leaders also need to juggle the often contradictory objectives of meeting increasing customer demands and achieving cost and time efficiencies. It is hardly surprising that in the search to develop and update claims management functions, there continues to be a challenge to prioritize time and resources.

Insurers appear to be well aware of the need for ongoing investment in claims management technology and of the potential business benefits. In particular, they are focused on the need for better data management, and to improve their interaction with external suppliers and third parties. But, while insurers recognize that customer expectations are evolving, and say that customer satisfaction is an important objective when investing in claims technology, they are not necessarily following through by investing in solutions in this area.

A shift has been seen in the way in which insurers are approaching investment in claims technology. Insurers are switching from bespoke systems to buying technology tools and adapting them, or enhancing or re-platforming an existing system. A large number of insurers are recruiting new skills in-house to support their development plans – an indication of the level of adaptation and customization planned for the technology solutions that will be purchased over the next three years.

While insurers recognize that they must continue investing in order to keep pace, and say that they are investing sufficiently, the question remains whether they are spending in the right areas, on the right tools and in the right manner to make the most of their investments. Insurers must not only identify the issues driving change in claims management across the industry, but also the key priorities within their own businesses, before assessing their current systems, considering where improvement is needed and weighing up the solutions on offer.



Some final thoughts from Ernst & Young

A number of organizations are in the process of investing or planning to invest in claims technology to improve their performance. Given the changing expectations of today's customers, insurers need to ensure their investment does not become the legacy burden of tomorrow. As part of the investment in technology clients should think particularly hard about the approach to data management and how this is addressed through the same implementation program. Subsequent technology investments in data analytics and reporting software are clearly possible; however, an integrated approach for many will be the right answer.

Our experience from working with clients highlights that, for many, a package or tool customization is the route to go down. Yet there are some key lessons: ensure you manage requirements tightly or the implementation effort can grow rapidly and you can be left with a system that cannot then be easily upgraded, ensure as an organization you have the right skills to deliver the program, and focus on where you can get greatest return on investment.

The next few years are likely to see a step change in the claims operational landscape through the investments in technology. There is typically only one chance to get it right – make sure you focus on the right levers for your business and your customers.

Ernst & Young – a leading advisor in claims management

A clearly articulated claims strategy should be at the heart of any insurance company intent on attracting and retaining customers and growing and maintaining a profitable business. Successful claims management is led from the top of an organization and reflected in the operational architecture, the underpinning business and technology capabilities and how these deliver the customer experience.

Ernst & Young's global financial services team works without boundaries between people, disciplines and geographies. We can work with you to deliver a range of services to address your business issues:

Claims technologies and IT advisory:

- ▶ Improving efficiency, effectiveness and customer service through claims technology
- ▶ Providing impartial advice on the right solutions for your business
- ▶ Enhancing or replacing current technology platforms
- ▶ Improving data quality as a basis for informed decision-making
- ▶ Enhancing data analytics in support of the business

Claims strategy and business design:

- ▶ Leading the setting of a claims strategy and philosophy aligned to your business goals
- ▶ "Health-checking" your claims operation, evaluating its current state against future required capabilities
- ▶ Designing the claims target operating model by defining how required capabilities will be delivered through people, processes, governance and technology
- ▶ Improve the effectiveness of their operations through leakage analysis and supply chain

Claims transformation:

- ▶ Helping execute a claims transformation agenda to meet your goals
- ▶ Building a business case and executing change while realizing and tracking benefit delivery

Claims data analytics:

- ▶ Enhancing the quality of claims management information
- ▶ Design and implementation of specific claims analytics to address issues such as fraud

For full details, please visit
www.ey.com/insurance-claims

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