



Claims Rules Engine

In this short article Mark Segreto, Director, Claims at Pacific Life Re Australia (PLRA) introduces the arrival of market leading claims technology designed to transform the way Insurers manage claims.

Australian Life Insurers and Superannuation Trustees face unprecedented challenges to adapt to changing consumer expectations and demands with regards to how claims are managed and decisions made. Increasing consumer mistrust and rising scrutiny from regulators and the media will require Insurers and Trustees to respond decisively to redress concerns. Demonstrating fairness and transparency will become a key operational necessity and potentially, a marketing differentiator.

Embracing emerging technologies are an opportunity to provide a new level of convenience to customers. A more informed and discerning consumer has the potential to make choices based not only on price but also on supporting technology, convenience and trust.

A Challenge for Insurers

All life Insurers must have a defined 'claims philosophy' that provides for the consumer an overview of their risk management practices. There are of course many factors that drive insurers claim decisions that are not fully articulated in claims philosophy though – these include risk appetite, risk culture within its claims team or simply random variation between assessors and teams. Whilst the majority of claim outcomes are overwhelmingly fair and reasonable, it is becoming increasingly difficult to manage the risk and reputational exposure brought about by the lack of transparency and consistency. Getting the balance right will continue to challenge insurers where their teams continue to grow but a shortage of expertise is commonplace.

Claims Automation

In 2012 Pacific Life Re became a majority shareholder of the industry leading Underwriting technology platform, UnderwriteMe. Upon entering the Australian market, Pacific Life Re has continued to develop this technology into a highly customised, transparent, flexible claims system. Unlike many existing claims systems this technology not only supports the lodgement of all claims types, but importantly provides Insurers with:

- The comprehensive assessment of initial and ongoing claims.
- Claims decisions and recommended actions.
- Risk profiling based on risk management criteria.
- The ability to create your own reports and management information using your own data.

The software is built on the latest technology and provides tools to make it much simpler to develop rule sets, assessment recommendations and bespoke risk management tolerances. Insurers and Trustees have the potential to create, retain and develop their own rules or to adjust the information collection process to suit products, risk profiles and customer experience.

This flexible technology allows the owner to measure and adjust the effect of their claims rules, in real time, during the process. It's fast and simple and has been designed to empower your claims staff without the need for IT support.

Importantly, the software enables the Insurer to not only articulate their claims rules but to reveal them to Trustees, Regulators etc., creating a new era of transparency and trust.



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For Retail and Group markets, the opportunities include:

- Vastly improved customer experience – consistent and tailored.
- Automation of selected tasks with bespoke risk management rules & outcomes.
- Highly scalable, reducing costs for Insurer and Advisers with greater 'self-service' opportunities and reduced reliance on administration.
- Improved data collection, MI to aid trend analysis and continuous improvements.
- The potential for straight through processing.

The opportunity to revolutionise the customer experience and add real value is undeniable.

If you want to discuss further, please contact mark.segreto@pacificlifere.com.