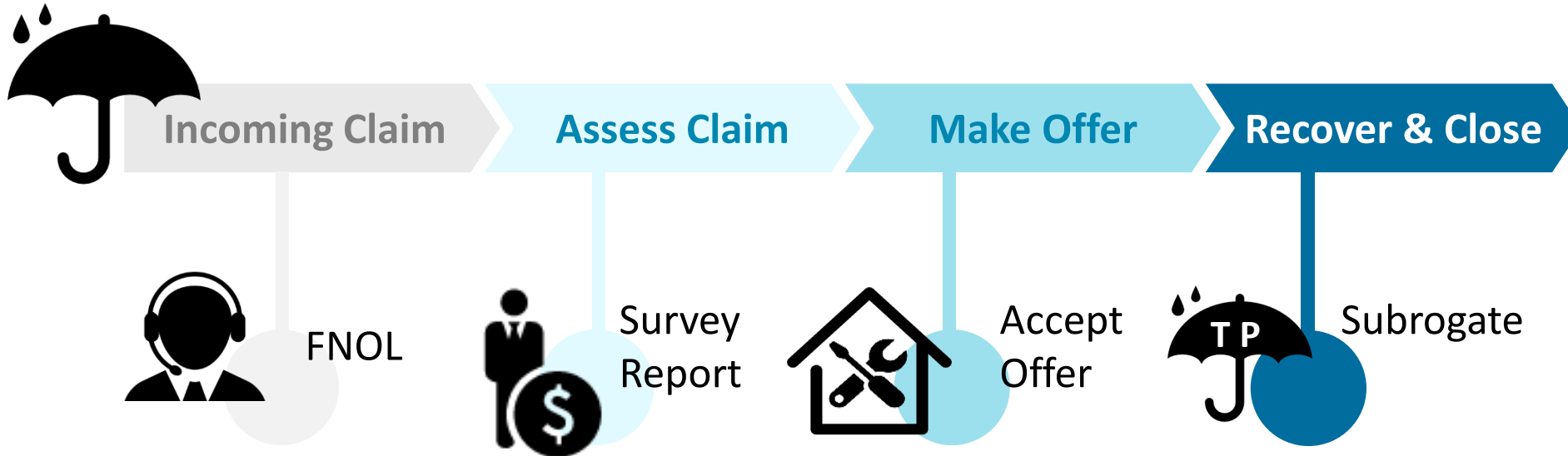# merimen

TrueSight x Pp

Making Real Time Claims Decisions with Claims Management Filter™

Presented By **Marc Dijkstra**
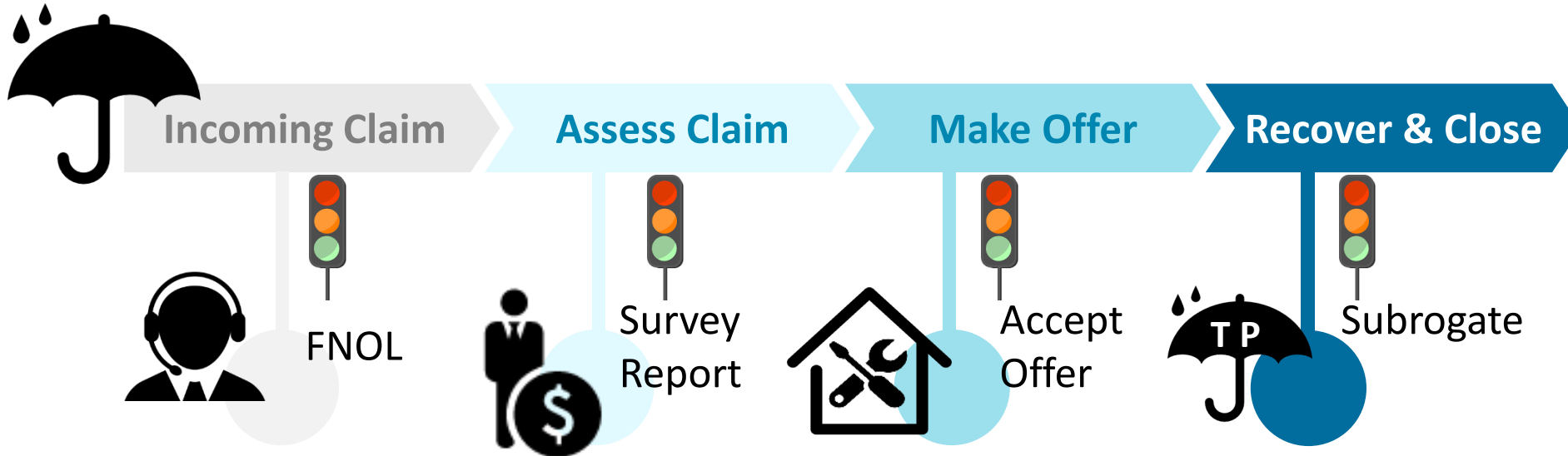Managing Partner – Posthuma Partners

Date 18 July 2019

silverlake Silverlake Axis Group of Companies

Claims Process is Full of Decision Points

Incoming Claim → **Assess Claim** → **Make Offer** → **Recover & Close**

FNOL

Survey Report

Accept Offer

Subrogate

Is this claim valid?

Should I fast-track this VIP?

Is the claim fraudulent?

Should I send for Survey?

Are there new Red Flags?

Should I do Re-inspection?

Which claims to initiate recovery / subrogation?

merimen

silverlake
SYMMETRY AT WORK
Silverlake Axis
Group of Companies

An A.I Tool to Empower Claims Handler's Claims Decisions

Incoming Claim	Assess Claim	Make Offer	Recover & Close
FNOL	Survey Report	Accept Offer	Subrogate

- Stop and investigate further

- Proceed but ask questions

- Approve, Pay out claim

Proven Solution from Europe, now expanded to Southeast Asia
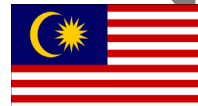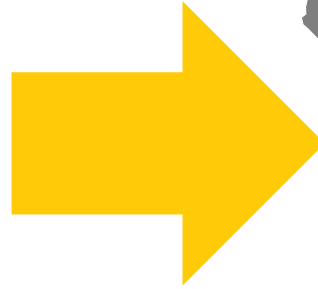
4 Insurers

2 Insurers

1 Insurer (WIP)

1 Insurer (WIP)

How It Works

Every claim in Merimen gets an accurate <u>real-time</u> outcome from CMF

INPUT:
Claim transaction details

OUTPUT:
Claim handling **advice** and **explanation**

CMF™

"Claim within 1 month of policy start date" → **Technical rules**

"Claim flagged as Statistical Outlier" → **Statistical analysis**

"Internal Benchmark to lower claim costs" → **Benchmarking**
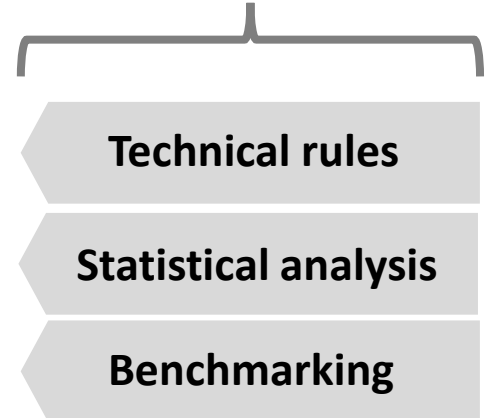
Digitising Your Technical Rules to Build Your A.I Assistant

ID	Description	Score
1	Claims made within 1 month of starting the policy	3
2	Multiple claims in the past 1 year	5
3	Multiple claims involving the same vehicle in the past 1 year	3
4	Accident time between 1 AM – 5 AM	1
5	Vehicle with estimated amount >= 60% of sum insured	1
6	Delay in lodging police report, >24 hrs from accident time	2
7	High frequency of claims under repair at the same workshop	3
... 50+	...	

SAMPLE

Example of Statistical Analysis: Rule Optimisation

Pp

Rule #1: Approve all claims below SGD 5K

Rule #2: Assign external adjuster if claim cost is more than SGD 14k

Statistical Analysis

#1. Rule threshold optimization

a. Rule #1 claim amount should be raised to SGD 6.5K

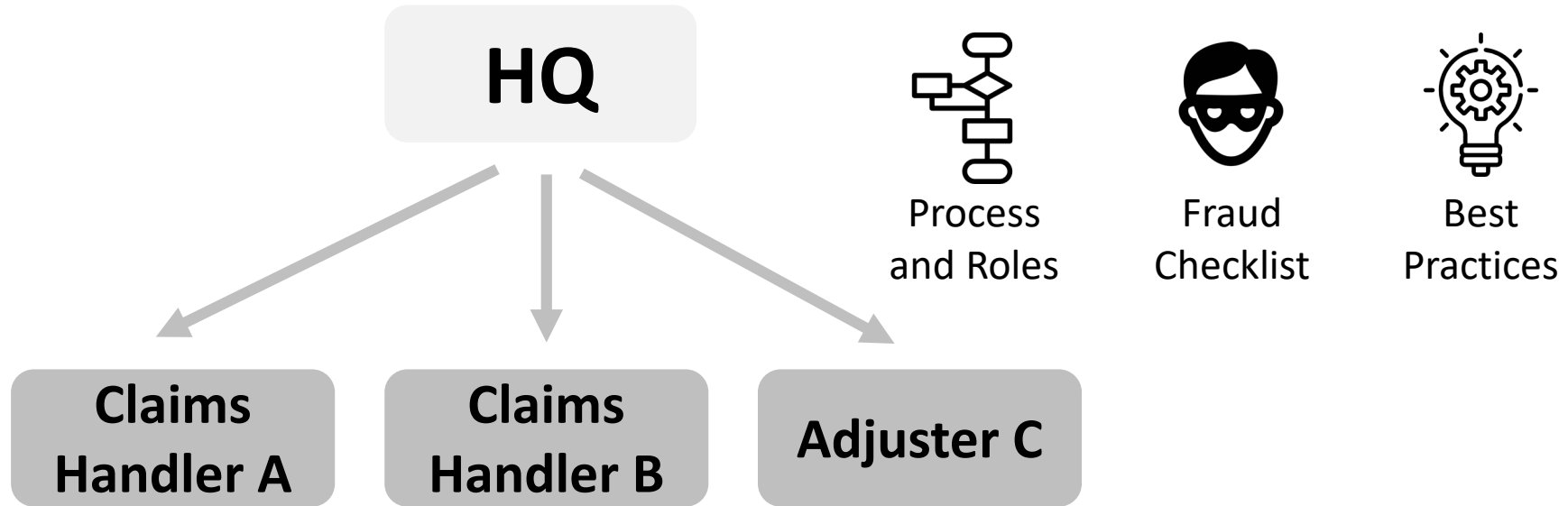## #2. Flag suspicious cases which have been bypassed by rules

a. Claim no. 123 of SGD 11K requires inspection
b. Claim no. 678 of SGD 27K is legit and can be immediately approved

+

#3. Identify new rules to implement

a. For Luxury brands, authority limit should be raised to SGD 14K

merimen

silverlake
SYMMETRY AT WORK
Silverlake Axis
Group of Companies

Enforce Consistency and Quality across your Organization

HQ

Process and Roles

Fraud Checklist

Best Practices

Claims Handler A

Claims Handler B

Adjuster C

① COMPLIANCE

Enforce Process and Rules on every claim

Run Compliance reports to audit staff

② LEARNING

Rules failed:

- *Timing of Accident …*
- *Policy Terms …*
- *Non-panel Repairer …*
- *…*

merimen

silverlake
SYMMETRY AT WORK
Silverlake Axis
Group of Companies

Better Manage Process & Resources, while controlling Claim Costs

Chinese New Year

Rainy season

Marketing Campaign

CMF™

CMF Controls

Add/Remove Rules

Tighten/Loosen Thresholds

Increase/Decrease Straight-through Processing

merimen

silverlake
SYMMETRY AT WORK

Silverlake Axis
Group of Companies
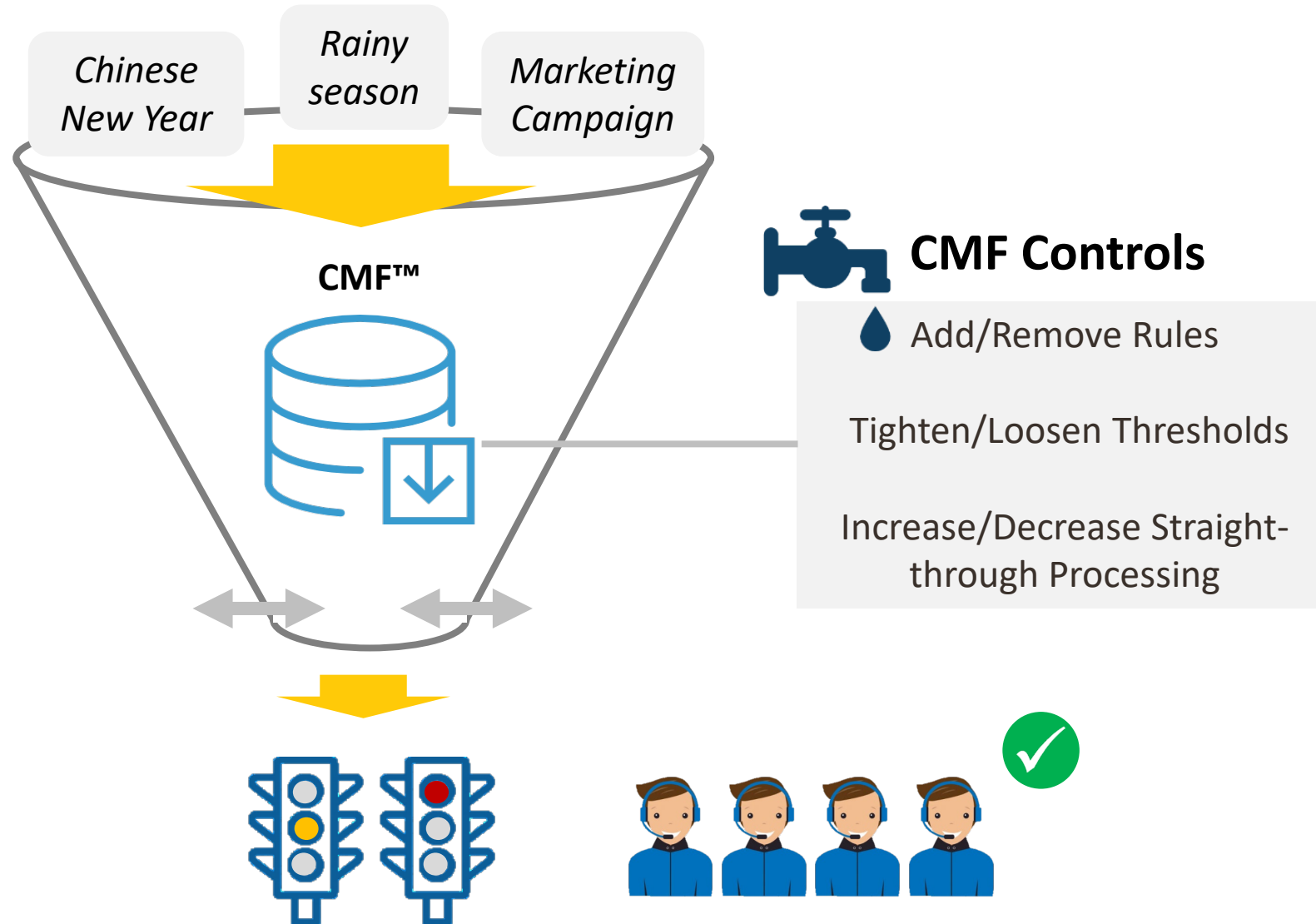
Key Benefits of CMF

QUALITY

- ★ **Every claim is checked**
  on all relevant variables including claim amount, time of accident

- ★ **Leverage on Staff experience**
  by focusing on claims/requests that really matter

- ★ **Pro-active reporting**
  refine technical and statistical rules from actual results

- ★ **Settings can be adjusted easily**
  to adjust workflow (backlog management) and/or risk levels.

- ★ **Best knowledge is the basis being checked**

FINANCIAL

- ★ **Increased STP%: 20% - 50%**,
  reduction in handling cost

- ★ **Improved fraud detection**
  through attention for claims that fit technical rules but are statistically 'odd',

- ★ **2% - 20% claim ratio reduction**,
  make more accurate decisions from intelligent and objective advice

Experience with Our Loyal Clients

Costs for experts / adjusters lower with a minimum of 50%

Costs for claims handling lower with a minimum of 15%

A more objective (quality) control

Lower claims paid with a minimum of 2% - long term

merimen

silverlake Silverlake Axis
Group of Companies

Applicable Across Other Product Lines

Pp

CAR

HEALTH

HOME

TRAVEL

merimen

silverlake
Silverlake Axis
Group of Companies

Demo: CMF in Action

1. Real-Time Handling Advice within Claim folder

2. Straight-through Processing for 'Green' claims

3. CMF Reports in Merimen

merimen

silverlake
SYMMETRY AT WORK
Silverlake Axis
Group of Companies

1. Real-Time Handling Advice within Claim folder

CLAIM SUBFOLDER (OD)...Pending for Offer

Possible Injury | Desktop | P | M

CLAIM SUBFOLDER TRACKING

Case	Notified	...lj Submitted	Ins Auth'ed	Status
Main	02 Jan 2018 Sendback Est			Pending for Offer Cancel Case

Main | **Claim Details** | **Document**

Handling advice (based on Rules and Statistical Analysis)

Evaluation Result

Result	R

Statistics based on Insurer's and Industry's historical data

Statistics

- Based on your own portfolio, Estimate is HIGHER than 82% of comparable claims
- Based on Malaysia industry portfolio, Estimate is HIGHER than 90% of comparable claims

Violated Technical Rules

Advice

- Delay in lodging police report
- Accident occurred late night / early morning
- Claim notified more than 24 hours after accident date
- Damage not covered under Policy terms
- Multiple claims made in past 1 year

Violated Insurer's technical rules

merimen

silverlake
SYMMETRY AT WORK
Silverlake Axis
Group of Companies

2. Enable Straight-through Processing for 'Green' Claims

(G) Claims go from '<u>Incoming Claim</u>' -> '<u>Pending for Payment</u>'

CLAIM SUBFOLDER (WS)... Pending for Payment

Fast-Track

CLAIM SUBFOLDER TRACKING						
Case	Notified	Est Submitted	Adj Assigned	Adj Submitted	Ins Auth'ed	Status
Main	21 Aug 2018 Sendback Est	04 Sep 2018 19:30 RM3,848.00				Pending for Payment Cancel Case

Main		Handling advice	Offer Processing	Claim Detai

Evaluation Result

Result	(G)		Statistics based on Historical data
Advice	**Statistics** • Based on your own portfolio, Estimate is LOWER than <u>75%</u> of comparable claims • Based on Malaysia industry portfolio, Estimate is LOWER than <u>80%</u> of comparable claims • No statistical anomaly found **Violated Technical Rules** • No rules violated		Violated technical rules

merimen

silverlake
SYMMETRY AT WORK
Silverlake Axis
Group of Companies

Results Achieved for SE Asean Insurer

The Numbers

> <u>> 22,000</u> Claims went into building CMF model

> <u>> 4,000</u> Claims checked by CMF over 2 months

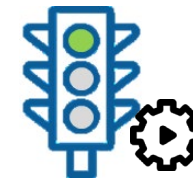> <u>> $30 million</u> in Claims Payout processed

Key Deliverables
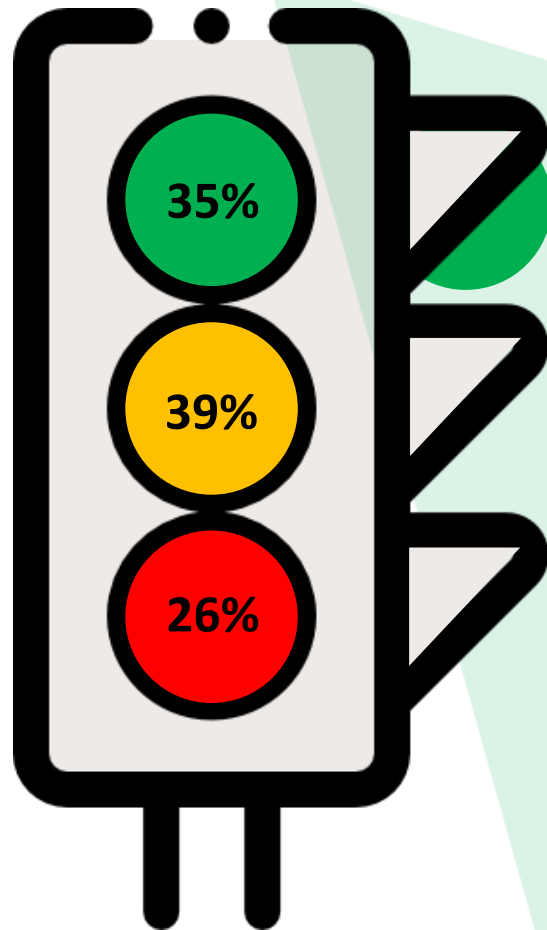
40 business and statistical rules built	100% reliable system, proven to check every claim	35% of claims ready to automate every month

merimen

silverlake
SYMMETRY AT WORK

Silverlake Axis
Group of Companies

Key Benefits Projected from SE Asean Insurer

35%

39%

26%

1 Approve **WS** claims

Avg Cycle Time ⬇ 20%

2 Fast-track **OD** claims below $5000

Avg Cycle Time ⬇ 9%

3 Send less external adjusters for **OD** claims

> $64,000 cost savings per month

Thank You