

IBM Watson

Empower insurance employees to make better decisions faster

Help improve employee experiences by augmenting insurance workflows with actionable information

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01

AI-powered insurance document insights

With so much focus on searching for information and extracting insights from documents, insurance employees spend more time looking for the right information than taking action. Information key to decision-making may be missed and decisions can lack consistency.

Customers suffer from negative underwriting experiences and long claims cycle times, leading to poor retention, low brand loyalty, increased churn rates and an overall higher customer acquisition costs for insurers.

Claims adjusters and examiners, underwriters, risk managers, actuaries and customer service agents review vast amounts of text inside hundreds of complex business documents, such as policy applications, claims forms, insurance policies and billing statements.

These documents are typically still in paper or digitized paper formats that are inconsistently structured and often siloed in different repositories. With IBM Watson Discovery, insurers can automate the manual process of finding and reviewing large complex documents.

Employees can use the technology to find information and data faster in different formats such as PDF, PowerPoint, Word, Excel, images, web pages and specialized document types like contracts, purchase orders and invoices using intelligent document processing. Equipped with natural language processing (NLP), Watson Discovery can also understand industry-specific language within private, licensed or public information sources.

By augmenting workflows with IBM Watson Discovery employees can:



Get information, answers and insights quickly



Improve customer experiences



Make more confident, data-informed decisions



Help prevent fraud and limit risk



Increase employee productivity



Reduce human error

02

Watson Discovery features

With Watson Discovery, existing non-technical employees can take advantage of AI models based on the nuanced language of their job function to help make better decisions faster.

Watson Discovery can help eliminate information silos and find information from diverse sources with the following features:

- **Retrieve answers:** Ask questions in natural language and get concise answers in context sourced from long, complex documents
- **Understand document structure:** Get insights from industry-specific documents with complex structures such as claims, client information records, billing statements, policies and document types like PDFs, tables, and charts using the intuitive smart document understanding training tool
- **Find patterns and trends:** Identify hidden anomalies and relationships in data such as customer feedback, product issues and documented cases of fraud using content mining
- **Recognize industry specific language:** Build a custom dictionary that understands language specific to your insurance business and get recommendations for similar terms without need for additional software

The solution has reduced the workload involving the reading and analysis of text data by 90%, eliminated over 1,500 hours of work for a firm every year, and increased the efficiency of administration processes.¹



03

AI in action: Underwriting

Chief underwriting officers are under pressure to ensure teams can quickly analyze hundreds of documents for accurate risk evaluations and policy pricing.

Underwriters can augment by using IBM Watson Discovery to help analyze:

- **Client application and information:** Help identify text in documents that may signify risk or use custom dictionaries to flag additional attention to health conditions or recent medical expenses
- **Underwriting manuals and guidelines:** Analyze hundreds of documents at a time for relevant passages
- **Proposals:** Automatically identify and extract key information such as the applicant's age, lifestyle or occupation within documents using natural language search

Benefits

Underwriters can quickly approve an application for coverage—and determine a range of coverage amounts, prices, exclusions and conditions—or reject the application:

- Create better informed policy pricing and ratings
- Save time typically spent manually reading documents
- Deliver policies to clients faster and more accurately
- Help reduce mispriced risk

75% reduction in time spent by team reading and searching through data source.²



AI in action: Claims processing

Sometimes customer service agents can accidentally mislabel the severity of or misroute a claim. Chief claims officers are challenged to help teams get claims to the right person the first time and minimize time spent finding relevant data to justify settlement payments per policy details.

Claims processors, insurance brokers and claims adjusters can augment workflows by using IBM Watson Discovery to help analyze:

- **Claims adjuster report and claims forms:** Help detect anomalies in data and identifying language that could signify fraud with content mining
- **Proof of loss forms and supporting documentation:** Understand accident details, injuries, damages information and police reports quickly by analyzing hundreds of documents at a time
- **Clients policy records:** Determine if the client qualifies for coverage under their policy terms using pinpointed critical information

Benefits

Claims processors, insurance brokers and claims adjusters can quickly compare a claim against previous cases and settlements:

- Identify claims that may require further investigation
- Classify claims to help ensure efficient claims routing
- Reduce clerical errors
- Accelerate claims settlement payment

“A large insurance company processed millions of claims a year. A complex claim that took two days to process can now be completed in 10 minutes with Watson Discovery.”³



05

AI in action: Customer service

Chief experience officers struggle to prepare their teams to quickly answer questions, many of which get asked repeatedly. When a difficult question arises, teams spend a lot of time searching for information or getting the latest data. These gaps can lengthen resolution times, reducing customer satisfaction and retention.

Customer service representatives and insurance agents can augment workflows by using IBM Watson Discovery to help analyze:

- **Client records:** Access relevant records quickly using answer retrieval
- **Common questions:** Find best answers to common problems with pattern recognition
- **Proposal form:** Pinpoint specific answers from documents in almost any form or location.

Benefits

Customer service representatives and insurance agents can analyze current and previous customer service situations to identify resolution patterns and gain faster resolution times:

- Spend more time with customer, and less time searching for information
- Enable agents to use insights in near real-time
- Help improve customer satisfaction and customer retention



AI in action: Loss prevention

Chief risk officers, chief auditors and chief actuaries want to empower their teams to quickly identify patterns and irregularities across documents like previous claims and client records that indicate increased risk. Collaborating across departments and escalating claims that need additional attention slows down payment processes.

Risk managers, auditors and actuaries can augment workflows using IBM Watson Discovery to help analyze:

- **Client policies:** Provide risk managers and actuaries with historical data points, revealing patterns and trends that indicate insurance fraud
- **Claims forms:** Help automatically detect key terms associated with risk within claims and documents using a AI-powered custom dictionary

Transaction records: Assess elements and language inside documents that potentially signal risk

Benefits

Risk managers, auditors and actuaries can use hidden trends and patterns in information to help prevent loss:

- Assist in validating policies and claims
- Flag content that requires human attention
- Help reduce fraudulent payments



07

Next steps

For roles that heavily rely on understanding large amounts of information like underwriting and claims processing, insurers can use AI-powered document insights to empower employees to more quickly uncover hidden insights in proprietary and public sources.

IBM Watson Discovery delivers insights in context to insurers to help drive operational efficiencies and improved decision-making. An intelligent search, text analytics and intelligent document processing platform, this solution is designed to understand the language of your business and complex document structures. Empower your insurance employees with the knowledge to increase their productivity and drive new revenue.

To get started [speak with an IBM representative](#) or explore the benefits of AI-powered insights.

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¹ Junko Kato, IBM, Accessed 7 October 2021.

² Woodside Energy, IBM, Accessed 7 October 2021.

³ IBM Watson Discovery, Versatil, Accessed 7 October 2021.

