

Innovation Priorities in Claims Processing

INTRODUCTION

Although group insurers' individual claims objectives continue to evolve, the industry is focusing on specific priorities in claims submission practices, namely efficiency, improved customer service, and reduced leakage. To achieve them, next-generation innovation is more critical than ever. Today's carriers are already incorporating innovation through specific technologies that once implemented, contribute to improved practices, increased customer satisfaction, and growth. While these strategies are helping, more can be done to achieve the claims objectives.

TODAY'S INDUSTRY OUTLOOK

The group insurance industry has made great strides in offering tools and services that customers want to use, in particular, self-service portals for faster claims cycle time, real-time claims tracking, and collaborative workflow implementations. For disability insurers who want to shorten claims durations and get customers back to work as soon as possible, some have employed counselors to accelerate customers' return to work or find alternative positions that accommodate potential challenges. Claims integration is now a preferred technology, and voluntary benefits providers have been making significant investments in its development by working with third-party providers of medical claims data or internal group life, disability, and supplemental health data to streamline and further automate claims processes. Throughout the industry, providers have been making significant use of analytics for fraud detection, absence management, and collaborative care.

IMMEDIATE PRIORITIES

Claims communication and integration

For some of the more immediate, next-generation innovation needs, carriers need to further align their digital strategies with customer preferences, especially in terms of electronic claims communication. A recent poll revealed that most customers would prefer to receive status updates via email and text, but most carriers still do not have that capability.¹ Of the 34 carriers polled, most still lack robust omnichannel support; only 12 percent of carriers allow for seamless channel switching, resulting in frequent transitions between website chats and phone calls.²

In a separate medical claims integration survey from earlier this year, there were encouraging results among the 28 major carriers polled. The majority (19) offer integrated claims services, with the most

common integration with life, disability, and supplemental claims data.³ This suggests that claims integration is becoming an expectation by customers who are demanding more rapid cycle times. Overall, claims integration can improve the customer experience by eliminating paperwork to streamline the process and by storing customer data for faster claims adjustment. When offered by carriers during enrollment, about 35% of employees opt-in to these programs, despite potential privacy concerns.⁴

FUTURE RECOMMENDATIONS

Future technology advances that would add significant value to providers' systems once widely available would be the further increased auto-creation of potential customer claims when appropriate (assuming previous data exists from other claims) through optical claims recognition and cross-product claims identification. The ability to assign claims based on type and staff availability are other features that would accelerate the claims cycle for maximized customer service.

CONCLUSION

For most group insurance carriers, a significant measure of customer satisfaction is how closely a provider is aligned with its customers' preferences. Poor alignment often leads to increased claims cycle times and frequent manual workarounds. To bridge the gap, carriers need next-generation innovation that ultimately leads to best-in-class customer service and long-term retention. Novel technological approaches to claims processing can streamline all segments of the claims cycle to position insurers where they want to be: at the forefront of claims technology and innovation and for customers: a faster, shorter claims experience.

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1 "Delivering on Digital Customer Experience: Are Workplace Benefits Carriers Aligned with Employee Preferences?" LIMRA, 2021, pg. 4

2 Ibid.

3 "Claims Integration and Automation Practices of Voluntary Carriers," Eastbridge Consulting, July 2022, pg. 5

4 Ibid., pg. 26