



Bridging the Data Divide in Group Benefits

INTRODUCTION

Today's group insurers benefit from a variety of sources that provide their operations with customer and market insights. These sources deliver data that enhance the customer experience, distribution, and underwriting processes. As a portion of this data remains paper-based or in other forms difficult to process by legacy systems, it often yields disjointed and incomplete analysis. To access this "dark data," insurers' core systems need to incorporate advanced workflows and AI technologies, with a third-generation platform for systematic data extraction, preparation, and ingestion. These solutions should also be developed with the user and the data lifecycle in mind to evolve with the business. With human- and data-centered technologies, insurers can overcome the data divide that prevents them from fully unlocking available business value.

THE DATA DIVIDERS

Dark Data

Insurers have traditionally maintained better data and information than any other industry on their customers, products, and claims. Insurers' core systems depend on vast amounts of information to power distribution, underwriting processes, and personalize customer journeys. However, these activities are frequently hindered by original information having been transferred to pdf or image form, which are often partially or completely inaccessible to legacy mainframe systems. Other unusable data forms include voicemails and videos captured on smartphones. These are all considered "dark data," because there is no technology in place to access them. It is estimated that up to 75 percent of an insurer's data may be inaccessible to automated systems,¹ and this lost information can potentially delay insurance claims processing, depending on the nature of the information. While there are additional challenges involved with accessing the information in a cost-effective manner, dark data is also a huge obstacle to achieving straight-through processing, which is essential to efficient business process automation. Depending on their size, insurers can often save between six and \$20 million dollars from using straight-through processing.² "Illuminating" dark data can ultimately provide valuable material for the big data analytics systems that insurers are now using to make smarter, enterprise-wide decisions.

Limited Data Ingestion

Many group insurers have tried to insert data and analytics into existing platforms where they don't easily fit; most legacy systems are not designed to hold and integrate the vast amount of data now available to them. With submissions often numbering between 300 to 500 pieces per day from claims, group

insurers require modern data processing and extraction tools to keep pace. A short-term solution has often involved group insurers implementing several stand-alone solutions that very often do not operate well in tandem.

THE DATA UNITERS

Third-Generation Data Platforms

Third-Generation data platforms support workflow processes while ingesting, preparing, and delivering data at the point of need. These data platforms can be incorporated into an existing system to create data feeds, visualizations, and pricing scenarios for the underwriting process. They are also easily customizable with scalable data ingestion capabilities, AI, and predictive analytics tools, and can operate alongside a general system upgrade.

Advanced Workflows and AI Technologies

Advanced workflows and AI technologies can absorb the heavy volume of data intake and provide sophisticated extraction methods that can support multipage documents, multiformat image types, entity recognition, and filter invoices for additional review. These data-driven tools also scan information for errors and collectively increase process efficiency.

CONCLUSION

Overcoming the insurance data divide is possible by leveraging the right technologies and integrating them into a single system to unlock the value of the ongoing flow of information. Illuminating dark data as well as processing, aligning, and distributing it via the right platform that supports users and processes can realize huge gains for insurers, while enabling transformation throughout the enterprise.

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1 "Illuminate dark data to unleash automation," Accenture, February 20, 2020

2 Ibid.