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# 5 Insurance Tech Trends to Watch for in 2014

In many respects, the property-casualty industry is slow moving when it comes to new technology. However, the industry is on the front line of societal and business change and must develop and launch products that meet specific needs in the marketplace.

Although many of those changes are difficult to quantify and administer, technologies exist that will make administration easier, more reliable and deliver information and service where it is required. Here are five technologies that deliver impressive results:

### **1. Aerial and digital imaging.**

These are simply aerial photographs of houses, business, terrain, and roads, applied to the property-casualty business. EagleView Technologies has developed imaging technology that simplifies, as an example, estimating damaged roofs without an adjuster having to lug a ladder and climb onto a roof to ascertain cost of replacement or repair. This same technology is useful in underwriting to determine the precise location and dimensions of all of the buildings on a farm. Obtaining an image of the farm and cropland gives an underwriter the information that they require in assessing the risk, and can prove invaluable at claim time. Imaging also can be used to prove that there is in fact a building or a business at a location near a flood zone. Another benefit of this technology is that it can provide geocodes for all of the properties in an insurer's portfolio, a useful tool in assessing property exposures in a geographic area.

### **2. Business intelligence (BI).**

At first blush it seems that BI has been on every technology list for the last decade. But BI is getting better, easier to work with, and able to provide more timely and useful information. There are BI platforms available that are

specifically designed for insurance companies which shortens implementation, provides a data model template, and interfaces to relevant up and downstream systems.

From an architecture stack perspective, BI is a useful tool to prolong the use of “legacy systems” because it can install data from a legacy system, such as a Cobol-based system, into a modern relational database. The database in turn can feed a BI system and use that data in statistical reporting as well as other management and financial reports. As insurance companies and vendors get more creative in the access and use of data using BI tools, they will realize better decision making, more competitive products and a data-driven path to profitability.

### **3. Customer experience management.**

This is a relatively new measure for the property-casualty industry. With the ubiquitous nature of the Internet, many transactions between the insured or a prospect are now being handled at the carrier, where in the past those transactions were handled by the agent. However, with Gen X and Millennials, the role of the carrier has expanded to direct involvement with the consumer.

Directly working with the consumer isn't new for insurance companies, but the nature of the interaction goes way beyond how the carrier interacted with the consumer over a claim. Now that interaction can be for marketing purposes, for enabling self-service for the consumer to request information, speak with a customer representative, and of course, obtain status of in-process claims. Customer experience management tools develop data that can inform the insurance company about future marketing or service requirements.

### **4. Case management:**

Insurance companies have been on the forefront of deploying and using document management and workflow or Business Process Management (BPM) to streamline various internal operations. As companies have moved BPM into various departments some impressive results have been realized.

However, two areas that are still using decades' old manual processes are claims and underwriting, where certain types of these cases require human intervention and management. These types of underwriting and claims cases are often termed the “last mile” to benefit from automation. Using technology to automate the last mile is now being realized via case management technology. When a claim involves litigation or significant dollars, or an underwriting situation that is out of the norm, those situations are usually passed off to be handled manually and usually by highly skilled professionals. Case management uses technology to make management of a case easier by making the entire file electronic and adding BPM to that file to ensure that deadlines and requests for additional information are met with alerts sent to appropriate people.

One of the biggest advantages with case management is the ability to put the file in a virtual data room where access to the file is based on a permission structure. And that permission structure can limit a persons' access to

the contents of the file to a single document. Additionally case management also facilitates collaboration between peers regardless of their location.

## 5. Portals 2.0:

Most insurance companies have installed portal technology to facilitate agent communication as well as communication with customers. The amount of information made available in these older portals is fairly limited and not well designed. Portal 2.0 takes the usefulness of portal technology and expands it throughout the carriers' ecosystem. Most insurance companies have myriad third-parties that perform functions such as loss control, claims adjudication, legal services, consulting services and technology services. It is the expanded ecosystem that also requires bi-directional access to the data in an insurance company. Portal technology was impressive when it first came about and creating a portal for agents and another portal for consumers. Now, however, the insurance company has to look at other stakeholders and their needs to review, transmit or update information.

## End of Article ##

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### About VUE Software

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