

# DocPro\*



## 21ST CENTURY CLAIMS PROCESSING FOR INSURANCE COMPANIES

Move documents through your claims process faster than ever before with DocProStar. Cut outsourcing costs with AI-powered document identification, validation and workflows. Minimize fraud while maximizing accuracy. Delight your customers with resolution times that will impress even the most discerning claimant. Claims processing is the crux of any insurance business. Make sure you do it right with TCG's state-of-the-art document processing solution.



**It's not an exaggeration to say that claims management is the most important aspect of any insurance company's business. Why? There are cost and control considerations to be sure, but the biggest impact to the bottom line might be the heavy scrutiny placed on the insurer by the insured.**

For a customer with a covered loss, the payout is the product they purchased. Seen in that light, filing a claim can feel like an obstacle course they're forced to make it through to collect. It's no wonder, then, that 68% of all customer complaints are focused on claims handling. But the situation's more dire than that: even a satisfactory claims experience isn't enough to create a loyal customer. One survey found that of the 86% of insurance customers who were relatively happy with their experience resolving a claim, nearly half of them are still likely to switch to an alternative insurer within a year. The goal then should be to create not just a satisfied customer, but a delighted one.

As important as quick and accurate claims processing is for customer satisfaction and retention, it's also vital to any insurance company's bottom line. When mistakes are made, they can end up being very costly. In the U.S., 20% of medical insurance claims are filed with some kind of error, a problem that's costing the industry as a whole \$15.5 billion annually. And fraudulent claims on non-health insurance total another \$40 billion in costs. The case for a claims management process that keeps customers happy and insurers from losing billions is an easy one to make. Implementing that process can be far more difficult, making the proper automation partner very important.

## **THE SCENARIO**

When customers file a claim on their insurance policy, it's a sure bet they will have to fill out several forms. For each form, they'll generally have to supply any supporting information and documents in addition. All of these documents need to get to the right people to handle the claim, and the information contained on them needs to make it into whatever in-house systems the insurance company is using for its day-to-day business.

To ensure accuracy, insurance companies have needed to rely on manual, human-driven processes. Physical mail would need to be manually opened and sorted, with the information transferred into internal systems through manual data entry tasks. Electronic documents would require a completely different process in order to capture the data. Then there's the matter of document storage, which is often not a consolidated strategy (i.e. paper goes in file cabinets, PDFs on a hard drive, etc.). Unfortunately, this manual approach is slow, filled with errors and very costly.

In the past, technology has made it possible to speed up the process with various digital mailroom solutions. But these legacy systems—many of which are still in use—can only automate to a point. They're rules based, meaning they have very specific requirements to perform their function. To identify a document, for example, would require scanning it and using OCR to recognize certain keywords, maybe a form number or customer number. But forms get updated, numbers and keywords can change, and these early generation systems can't automatically adapt. Even in a best-case scenario, this automated process only gets you as far as digitizing and organizing documents. People are still required to get the data—names, addresses, case numbers, customer account numbers, anything—into the insurer's in-house software. Insurance companies need the best of both of these scenarios: the speed of robotic process automation with the intelligence to correctly identify and capture data.

Because claims management is so vital to an insurance company's health, resolving each claim quickly and accurately has to be **priority number one**. But developing the right processes to do this is met by a number of challenges.



**There's no standard document.** The forms created by an insurance company represent the only paperwork they have any control over. When a customer files an auto insurance claim, for example, the insurer knows what forms to provide and what kind of information is requested on it. And that's pretty much where predictability ends. A claim on a car accident could require photos, police reports, estimates from mechanics, medical reports, witness statements, legal correspondence, and even video content (such as dashcam footage). These can show up electronically or via postal mail. Photos could be any number of file formats, one town's police department might have completely different forms than another's, not all mechanics use the same software to create parts and labor breakdowns. There is an endless amount of variation in the kinds of information insurers receive and the ways in which they receive it, making it difficult to create a one-size-fits-all approach to identifying and validating any of it.



**There's an existing software infrastructure.** An insurance company is likely operating with several different enterprise software suites. There is, of course, a claims management software, either out of the box or developed in-house. But these don't exist in a vacuum. Other kinds of software that all live in the same ecosystem are Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) platforms; image and data archive systems; and email servers. Any or all of these might be a touch point along the flow of documents, and would need to work with a potential processing solution. Companies aren't likely to want to change out what's working to accommodate new software.



**The volume of documents is constantly changing.** There can be predictable seasonal spikes in the volume of documents being sent, like an increase in property damage claims during hurricane season. But there are also other factors at play that aren't quite so easy to see coming. Changes to the law might affect compliance regulations dictating document storage, for example. But the volume can also be in flux even when there are no external factors. Sometimes it's just a matter of certain claims requiring larger volumes of paperwork: one claim might only need a few single page documents while another includes a file that's nearly 100 pages. Depending on the time of year and the size of the business line, the number of incoming documents could be in the thousands, or the hundreds of thousands.



**Mistakes can be very costly.** The nature of insurance dictates that payouts are a part of day-to-day operations. Even the slightest of uncaught typos can be a very costly error. An incorrectly recorded case number could send payment to the wrong person. A misplaced decimal point could result in a hundred-fold overpayment. Not noticing slightly mismatched VINs could render an insurer the victim of fraud. Insurers are hesitant to rely on automation with so much at stake.



**Communication is vital.** Claims often must be made during particularly stressful periods in a person's life: amid the trauma of a car accident or while attending to a resulting personal injury, for example. Proactive and timely communication on the progress of a claim can minimize anxiety and ensures the claimant or damaged/injured party feels supported and informed throughout the process.

# Insurance Claims Processing with DocPro\*

TCG's approach to document logistics is so flexible it seems as though it were tailor made for the insurance industry. It's able to process any type of file and pass it along to any of the other operational systems in use on the network. Our customers don't have to adapt the way they do business to use DocProStar. Instead, DocProStar adapts itself to our customers' environments.

## Capture/Normalize

It doesn't matter if you're receiving one of your own forms, or a medical record, or a police accident report, or a contractor's sketch on a napkin. DocProStar effortlessly ingests whatever document you feed it and standardizes it into a single file type for smoother and faster processing.

## Classify/Extract

Because DocProStar is powered by AI, you can take rules-based processing further than was previously possible. The system doesn't need to rely on very specific and expected input in order to recognize and further process a document. Artificial intelligence can be taught what to look for, so it can classify documents based on context instead of hardcoded keywords. The more it's fed, the more it learns, becoming even more reliable as it's used. Bots then learn from the AI engine, further maximizing the learning process.

## Verify/Validate

Once all the data is extracted from a document, it needs to be verified. Information retrieved with DocProStar is cross-examined against what's in internal systems. Do birth dates match up? Is the claim number correct? Is the date in the right format? The system checks all the information, down to the tiniest detail, to ensure it is valid and accurate. It's

smart enough to accommodate misspellings, typos, and variations, ensuring documents don't get held up or create unnecessary additional, and manual, work.

## Review/Formalize

Anything that the system can't make sense of will get flagged for review and passed on to a human for a final check. DocProStar doesn't just flag a file for review, though. It highlights the exact field or section of the document that has the discrepancy, making quick work for the person who reviews and fixes it. The notifications for these reviews can be targeted to specific people or departments, to ensure

that you're always involving the right people for the job. And as the claims department performs its daily work, DocProStar's bots are watching in the background. The bots learn from corrections and, over an extended solution use period, can create new rules to accommodate and prevent exceptions thereby increasing straight-thru processing.

## Transact/Execute

Having made it this far, the documents and their data are handled accordingly.

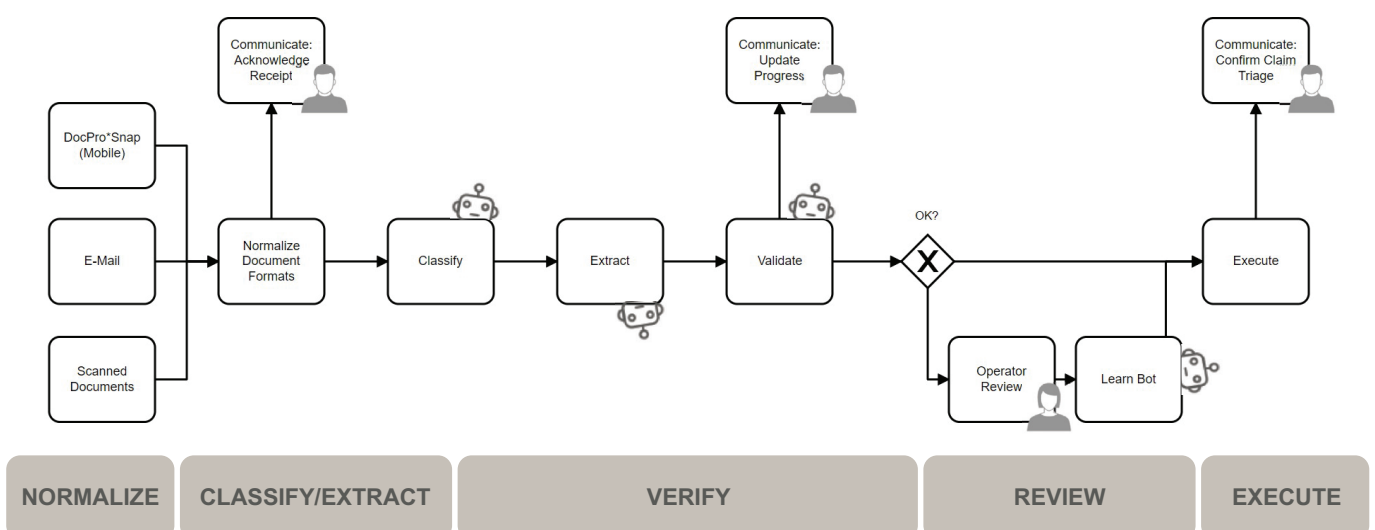
If a company already has a process in place with their existing infrastructure, the data that was extracted can be automatically handed off to internal systems for business as usual. Alternatively, DocProStar can be configured to take more actions to further automate, like archiving a document, or flagging more urgent items and creating a priority queue.

## Communicate

Throughout the process, DocProStar allows you to create points of auto-generated communication with claimants and any necessary third parties on the progress of the claim.



## Example of insurance claims process map



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## THE BENEFITS OF AUTOMATING CLAIMS MANAGEMENT WITH DocProStar



### Cost Savings

Between Business Process Outsourcers, wasted time and human error, insurance companies are losing billions of dollars every year processing claims. It's a given that automation speeds things up and saves on operational costs, but to do it as accurately and cost effectively as DocProStar is another level of savings altogether.



### Better Fraud Detection

DocProStar sees every detail of a document as it's classifying and extracting the data, recognizes discrepancies and suspicious information, and makes sure you don't miss them. Right out of the gate, you'll be able to ID potential fraud earlier than was previously possible.



### Flexibility and Agility

Insurance companies need to adapt to fluctuating demands throughout the year. The unpredictable volume of claims, multiple input streams and an endless variety of document and file types can't always be planned for internally. Instead, our solution adapts so you don't have to predict. Changes to the input stream are easily adapted and implemented, as well. Creating new activities and validation routines are quick and painless.



### Impress and Retain More Customers

People buy insurance for the ability to file a claim and recover their losses, but it's also the thing they dislike most about their experience. By both speeding up the process and maintaining regular communication on claim progression, claims are resolved faster and with more transparency—and your customers will notice it.



### Fit Into Any Environment

DocProStar's open APIs enable it to plug in to just about any system landscape. Claims management software, ERP, CRM, messaging platforms—they're all vital parts to any insurance company's business and operations. Keep what you already use, and make it perform better.

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### ABOUT DOCPROSTAR

TCG's DocProStar automates end-to-end processing for a wide variety of document-centric use cases in banking such as account opening, lease applications, consumer credit, mortgages, accounts payable, and generic digital mailroom for banks. TCG's intellectual property provides a modern, robust, and highly scalable platform including Robotic Process Automation (RPA), Artificial Intelligence (AI), and other advanced technologies to achieve a new degree of efficiency in administrative processing. Compliance is built in and implementation times are shortened due to the platform's no-code approach and flexible deployment options (private or public cloud, on-premises). Organizations using DocProStar reduce costs, speed transaction times, lower risk, and offer greater value to their customers and business partners.

### ABOUT TCG

TCG is an international organization solving business process automation (BPA) challenges with its DocProStar platform, digitizing and automating complex processes across enterprises like Banking/Finance, Insurance, Healthcare, Public Administration and their business process outsourcers or shared services organizations. TCG markets solutions direct-to-customer and via partners, on 5 continents.

