DecisionsFirst™ Insurance Claims Handling

Insurance claims handling is a complex business. Customers want their claims processed quickly and their claims to be approved. Carriers need to manage risk, avoid paying ineligible claims, keep operating costs low, and comply with myriad government regulatory requirements.

To keep processing costs low and meet all of the compliance requirements, many insurance companies have a goal to increase the percentage of their claims that can be processed and adjudicated with no human decision-making involved. In other words, increasing their rate of straight-through processing (STP).

Perhaps surprisingly, there remains a fair amount of human intervention involved in processing insurance claims. In many carriers, managers and adjusters are challenged to gather and organize multiple data sources to determine the best decision for each claim. Manual handling of claims also opens up a carrier to risks of non-compliance with industry best practices, corporate standards, and regulatory requirements. Adding decision automation to claims processing dramatically reduces the cost to handle claims and allows staff to focus on higher-value activities.

The Solution

The DecisionsFirst™ Insurance Claims Handling solution increases automation and improves the STP rate by focusing on the claims handling decision first. We start by examining each carrier's current claims handling approach with a persistent focus on the decisions themselves.

This solution provides all of the value of a custom-build system with the cost-effectiveness benefits of an off-the shelf product.

By focusing on the decisions that need to be made throughout the process of adjudicating a claim, we are able to identify and prioritize the specific areas of opportunity for streamlining and automating the decision. Once the most valuable opportunities for automation have been identified, a decision model is built.

The decision model is the backbone of any decision automation initiative. It is the framework for identifying, organizing, and managing the logic used to make a business decision. The decision model enables the organization to:

- Automate policies and enforce regulations
- Encapsulate expertise, tribal knowledge and best practices
- Put analytics, machine learning and AI to work
- Enhance transparency for compliance, quality control and auditing

Three Steps to Delivering Digital Decisioning:

1. **DecisionsFirst approach –** Consider decision design first, build a decision model, drive practical innovation

2. **Mix and match relevant technology –** Business rules, analytics, ML and AI under a decision umbrella, deployed as a decision service

3. **Continuous improvement –** Analyze decision-making to drive business learning and focus on gradual improvement

Once the decision model is designed and iterated, the software is tested and implemented based on each client's unique technology infrastructure or on our cloud-based delivery architecture. The solution leverages the data and advanced analytics best suited to improve the quality and consistency of each claim decision. Once the automated claims handling solution is implemented, clients move their focus to continuous improvement. Clients receive a dashboard on which they can simulate changes to their rules or policies prior to making those changes live, facilitating and informing the ongoing continuous improvement approach.
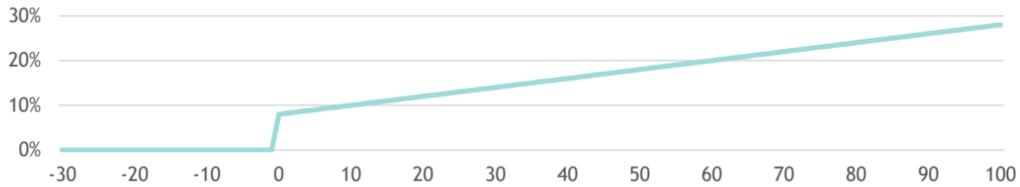
Client results:

STP rate
Before = 0%
Day 1 = 8%
Day 100 = 28%

As a result, clients see an increase in their straight-through claims processing rates and claims get paid more quickly. Even for claims that need to be reviewed by an adjuster, the DecisionsFirst Insurance Claims Handling solution expedites the process, improving speed and reducing operating costs.

Decision Service

At the heart of the DecisionsFirst Insurance Claims Handling solution is a powerful decision service. A decision service encapsulates business rules, predictive analytics, machine learning (ML) and artificial intelligence (AI) to deliver automated decisions to applications.

Business rules are clear and transparent. They are quick to change and easy to manage, enabling rapid respond to changes in regulations and policies. Predictive analytics, machine learning and AI are insight-rich and leverage data to identify trends and patterns to respond appropriately.
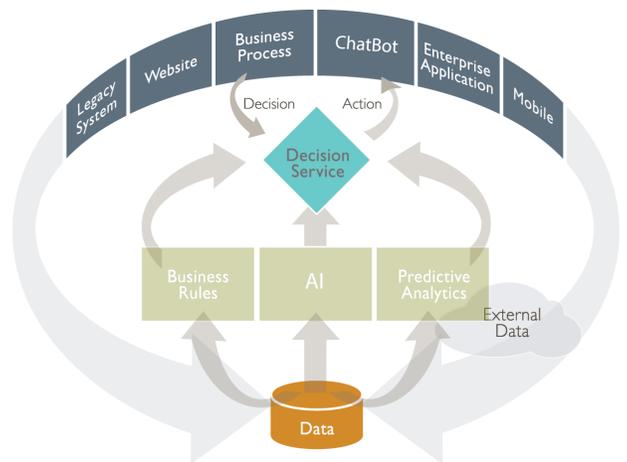
About Decision Management Solutions

Decision Management Solutions provides solutions and services that help organizations make more data-driven decisions by applying advanced analytics, artificial intelligence (AI), business rules, and supporting technologies. We are a leading solution provider and professional services firm focused exclusively on decision management, helping Global 500 organizations solve their most pressing business challenges.

We are experts in the fields of decision management and decision modeling, and have created the DecisionsFirst approach to help our clients reorient their business processes to focus on the decisions that must be made — rather than the data available or the systems in place. Our clients are leading companies in insurance, banking, manufacturing, telecommunications, travel and leisure, health management, and retail.