

Mind the Functionality Gaps: A Guide to Insurance Technology Vol. 1



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Is 2020 the year? The year insurance technology is finally recognized for the efficiencies it creates, the productivity it increases, and convenience it delivers to every business and consumer policyholder? Only time will tell.

According to [InsuranceThoughtLeadership.com](https://www.insurancethoughtleadership.com), much of the latest PR about advances in insurtech is focussed on some of the “shiny objects” of the data analytics world, including artificial intelligence (AI) functions like [robotic process automation](#) (RPA) and intelligent process automation (IPA).

Has your firm considered augmenting the high-volume, mundane tasks claims adjusters and underwriters do, like claims reconciliation? Let's face it. Some manual tasks are simply better off delegated to digital bots which are programmed for speed and accuracy.

While many insurance agencies look for all-in-one SaaS solutions or struggle to build their own, finding the perfect fit for functionality and resources can often be a challenge. However, integrating an SDK into your current insurance application could be a potential solution.

Insurance Offices Aren't Quite Paperless

While many offices opt for digital documents, there are still vast stores of paper insurance records in offsite storage locations and onsite filing cabinets. Many insurance service providers can increase claims processing efficiencies and policy applications by choosing to buy functionality for their applications instead of building it themselves. Even as forms, photos, policy documents, and other files are captured and filed, their lifecycle has likely just begun.

Why build and maintain critical missing functionality over the long term, when there are already quality solutions available? Whether you develop software for the insurance industry or are an insurance service provider, there are likely key functional gaps to be addressed, such as:



Document capture, conversion, clean-up, and search



eSignatures



Content or document viewing, annotation, and redaction



Form data capture




Document-centric workflow management and process automation



Barcoding and watermarking





There are several approaches for developers to take to embed this functionality into their structured data applications. Take these four scenarios:

1.

"We have programmers who love to code. No matter how long it takes, or how much it costs, we do it alone."

2.

"Our programmers tried to build document control functionality themselves, but your API/SDK is flexible, fully supported, and you handle all the updates. We only pay for what we need."

3.

"We bought a whole ECM suite for document capture, viewing, forms processing, and business process management. We don't use most of the functionality, but we might grow into it eventually!"

4.

"Hey, Scrum Master Bob, we just downloaded and tested this set of SDKs and APIs which can enable us to forklift a lot of that document lifecycle management functionality into our insurance app before the next major release. We can likely have it in and tested a week in advance!"

Every digital transformation journey is unique, but there are some that are easier than others. Which path will you choose?

Physical and Digital Forms Processing on Your Terms

Automating claims processing enables customer service agents and claims adjusters to spend more time supporting customers in need, and less time entering and verifying data. The insurance policyholder fills out their claim form either manually or electronically.

Then, the insurance provider takes the paper claim forms, either from the mail room or the fax machine, and scans them with his or her preferred capture device. They go through an optical character recognition (OCR) or intelligent character recognition (ICR) process to make all of the typed and handwritten data searchable.

Form field data is scraped and exported, based on a set of workflow rules, to the appropriate claims processing systems, and some data is extracted to the metadata profile for ease of retrieval.



Accelerating Claims to Expedite Payouts

Digital claims activity accelerates the end-to-end process of collecting the circumstantial data of the insured's accident or loss. For example, other assets like police forensic photos or appraiser images can be marked up, processed for clarity, and stored in an insurance carrier's software repository along with the claim forms.

Sometimes, all this forms processing and data capture activity takes place within an insurance company's network. Otherwise, secure, scalable, reliable, cloud processing ensures business continuity when employees need to work remotely. Claims can be paid out to remediation service providers or clients reimbursed for out of pocket expenses.

Does your insurance application have all of this forms processing functionality built-in? If not, closing the functionality gap is easier than you might think. Like your best employee, the more claim forms flow through a processing API, the faster you can identify critical data. As a bonus, the API makes far fewer transcribing errors during data export to your application. Image cleanup can eliminate scanning "noise" and improve OCR accuracy. APIs don't need coffee breaks or wear pleated khakis.

Mitigating Risk, Ready for Litigation, Preparing for Audits

Managing, securing, and controlling private documents and data in a highly regulated industry requires insurance firms to shoulder a measure of risk, which is why selecting the right solution provider is critical. Look for businesses with leading cloud service providers like AWS, which carry certifications for standards like:

- SOC 2 Type 1 certification by the American Institute of Certified Public Accountants (AICPA) for cloud computing services.
- Compliance security standards like PIPEDA and 21 CFR Part 11 for eSignatures

An integrated document viewer and control solution which enables agile claims approval [workflows and signoffs](#) can eliminate delays and bottlenecks. Though most claims management processes have required staff to be office-bound, cloud-based workflows can enable authorized managers to quickly approve policies or claims from their home office or mobile device.



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Digitization for Customers, Employees, and Other Stakeholders

According to the [Board of Innovation](#), 61% of customers surveyed said they wanted the ability to submit and track their policy applications online. [McKinsey](#) reports that nine out of ten insurance companies are struggling to develop the technology they need to transition from managing mostly paper applications and policies to digital only.

Internal processes are often too complex across the insurance industry, causing redundant processes and delayed claims processing. Do insurance brokers deliver the same value as even a few years ago in this digital era? Having all of the document authoring applications on each employee's corporate laptop or desktop is costly, and unnecessary.

Converting files to common PDF or HTML renderings can enable carriers, brokers, and policyholders to share information efficiently, securely, and in compliance with [industry regulations](#). Document viewers with digital rights controls and redaction/annotation functionality can ensure only those who need access to information can see it.

Are you lacking key functionality in your insurance application that could help your team streamline your daily tasks?

Now that we've identified the common business process management deficiencies, we'll move on to cover how we can solve these gaps within your own application.



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