



Mindtree

A Larsen & Toubro Group Company



*Claims transformation – Annual savings of **400,000 AUD** through intelligent automation of claims assessment and payments for a leading personal lines insurer*



Client overview

The client is a leading personal lines insurer in Australia. They offer motor, home, and landlord insurance through various brands/retail partners. The client also offers insurance products across Africa, Europe, India, China, and New Zealand.



Challenges

The client had three major challenges in the following claims business function:

- Preliminary claim assessment
- Supplier payment transactions
- Customer direct payments

Preliminary claims assessment:

- The operations team had three FTEs designated to process around 250 claim records per day.
- The client's claims operation team received a daily report in a single input Excel file and their responsibility was to check for history and bankruptcy information from a web-based third-party system called IRS – Insurance Reference Services, which contains information about all the interested policy parties and listed drivers on the claim. After this, the reports were downloaded based on defined business rules and referred to the investigation team for further processing.
- This was a manually intensive and repetitive process as it had huge business dependency. Preliminary claims assessment checks had to be completed by the operations team within three-four business hours for the investigation team to process the claims within the same business day.

Fast-track supplier payments:

- The operations team had one FTE designated to process around 100 supplier payments per day.
- This was a manually intensive and repetitive process as the claims team member identified and authorized the supplier invoices outside of regular claims processing work
- Supplier invoices had to be processed to completion on a daily basis so that the claim could be settled as full and final
- The claims system was a legacy windows forms application. It was cumbersome to operate due to technical limitations
- There were delays when the operations team members were unavailable or when there was a spike in the volume of claims reported during catastrophic events

Supplier payments transactions and customer direct payments:

- Around 500+ payment settlement invoices were received on a daily basis. Processing these invoices manually was a highly monotonous and repeatable task, leading to low employee motivation and human errors
- With 35,000+ claims resulting in over 110,000 payment settlement transactions per year, approximately eight AUD was spent on every supplier payment transaction, leading to high claims operations costs
- The client received an increasing number of bushfire home claims during the summer months, which placed an enormous strain on the current claims handling team

In addition to all this, the client wanted to improve the efficiency of its claims assessment process.



Solution

Mindtree used its RAPID (Record Analyze Pilot Implement and Deploy) automation methodology and implemented three bots using UiPath. These bots enabled improvements in efficiency, saving effort and reducing errors.

Preliminary claims assessment bot:

- The daily claim records for motor, home, and landlord policies were received in an input Excel sheet, which was picked by the bot and necessary data validations were done on the input sheet
- Then, the bot logs into the IRS to verify and validate the set of attributes as per business rules, and if required, download the credit history and bankruptcy report
- Subsequently, updates were made in the input sheet on the number of reports downloaded, if any, from the third-party system
- The bot was developed using offline web automation of the third-party system, which was integrated online during testing and production go-live

Fast-track supplier payments bot:

- The operations team received an Excel sheet with details of claims and supplier payment amounts on a daily basis that needed to be fast-tracked and settled with suppliers/vendors
- The Excel sheet had a total list of claims payments that need to be processed for the day. In this scenario, the bot has the capability to filter only the appropriate supplier invoice amounts that need to be fast-tracked, for authorization
- The payments that need to be fast-tracked gets validated with information in the claims application to match the right supplier record that needed to be processed

The RPA tool was customized to scrape the supplier name from legacy claims application for easy readability and match the right supplier record for processing

Supplier payments transactions and customer direct payments bot:

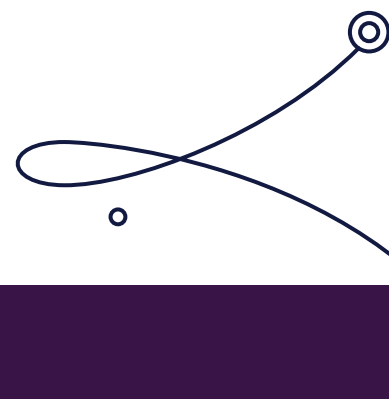
- Invoices were received as an attachment to a dedicated mailbox from the suppliers with the claim number in the subject line. The bot identified the claim number from the subject line (or invoice PDF, if not present in the subject line) to process the payment record
- The payment details were received in an Excel sheet and could contain multiple payment requests for different claim numbers, which gets processed by the bot sequentially
- Invoices: PDF templates from 10+ different suppliers were handled, and the bot was trained to identify the following fields - Claim number, invoice number, invoice date, supplier/customer name, invoice amount, payment type, and excess
- Data extracted from the invoices were used to create payment entries in the claims system against the appropriate claim number along with system notes specifying the invoice details. Invoice PDFs were attached to the claim record for reference
- Excess amounts, if any against the claim, get deducted from the settlement amount to the supplier (as it is borne by the insured)
- If the invoice amount is greater than the reserved amount against the claim, the BOT will increase the estimates and approve them

- If there were no specific estimate types allocated to make a payment, the required estimate type was created in the system by the bot and approved
- Detailed success logs or error logs with screenshots were sent automatically after every execution to a designated operations team's mailbox
- The following are the supplier payments automated across auto and home:
 - **Auto:** Repair, external assessor fee, windscreen, hire car, and towing/storage payments
 - **Home:** Building repair (interim and final invoices), contents replacement or repair, and external assessor fee payments
 - **Customer:** Direct payments claimed by the insured as a compensation for covered losses where the amount was spent by insured



Benefits

- **60% FTE productivity savings** per month by fast-tracking supplier payments
- **98% reduction in manual efforts**, enabling efficiency in process turnaround time for the claims operations team
- **100% consistency and repeatability** in the quality of request processing with no manual intervention or process exceptions
- **600 hours FTE productivity savings per month** by automating the preliminary claims assessment process
- Over 100,000 claim settlement payments are processed automatically by the bot, resulting in **annual savings of 400,000 AUD** through 60% reduction in manual effort
- The cost per claim reduced from eight AUD to two AUD
- Scalability on-demand means that seasonal increase in claim payment volumes can be managed without increasing the headcount
- Increase in supplier satisfaction due to quicker settlement of payments
- Increase in employee satisfaction levels as a result of moving away from monotonous and repetitive tasks



About Mindtree

Mindtree [NSE: MINDTREE] is a global technology consulting and IT services company that enables enterprises across industries to drive superior competitive advantage, customer experiences and business outcomes by harnessing digital and cloud technologies. A digital transformation partner to more than 275 of the world's most pioneering enterprises, Mindtree brings extensive domain, technology and consulting expertise to help reimagine business models, accelerate innovation and maximize growth. As a socially and environmentally responsible business, Mindtree is focused on growth as well as sustainability in building long-term stakeholder value. Powered by more than 35,000 talented and entrepreneurial professionals across 24 countries, Mindtree — a Larsen & Toubro Group company — is consistently recognized among the best places to work.