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# 10 GREAT
## WAYS TO APPLY
## REAL-TIME VIDEO
## IN CLAIMS

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# EXECUTIVE SUMMARY

The fiscal performance of an insurance organization greatly depends on the cumulative performance of its underwriting and claim handling operations. This is why there is a lot of attention to ensure that the performance of these parts of the organization are constantly enhanced and increased. Yet, when we look at the bigger picture, we discover that they are largely structured around bulky, unscalable business models focused around old business processes.

There have been great improvements in efficiency and productivity with new technology. Yet, there is a better way. Instead of fixing existing processes, it is possible to reinvent them by centering operations around new technology and a new, modern consumer. Right now is best time to take advantage of this opportunity to achieve a significant increase in fiscal performance and retain a competitive advantage:

- reducing costs,
- increasing customer satisfaction,
- and mitigating business related risks.

At Livegenic, our team of business process and customer service experts is redefining insurance operations with real-time video, helping organizations leverage people, capital, and technology in new ways. By enabling organizations the power to see what the customer or a field resource sees to streamline claims and underwriting information, we developed a technology that can be applied across the enterprise in a uniform way to:

- reduce cycle times,
- minimize extra steps and touch points,
- and increase accuracy and transparency.

Unlike technology like Skype or Web Conferencing that is designed to connect known parties together in audio-visual communication, scalable enterprise business models operate around centralized 800 numbers and call centers. These centers provide great scalability and require a repeatable business process to connect a customer or a field resource with a next available staff in the office. This approach provides an ability to efficiently deliver immediate assistance, without frustration of disconnecting, coordinating, and scheduling.
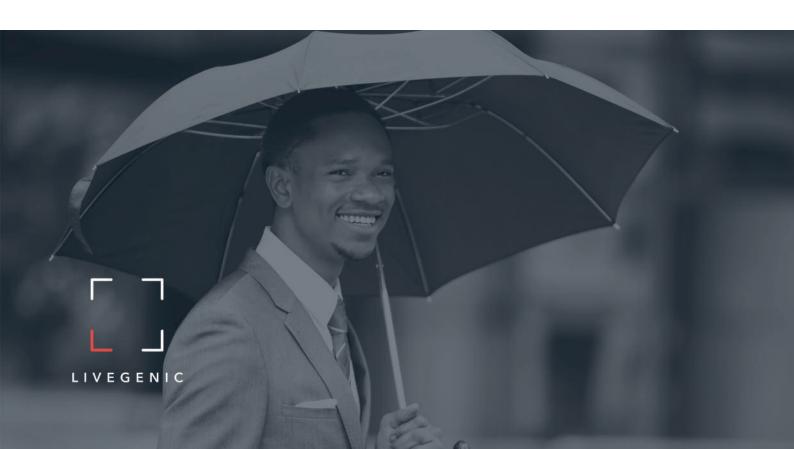
Being the first to develop an ideal, simple and easy to use real-time video platform for insurance, we share the value, vision, and many applications of this technology and the impact it can make to your organization.

# WHAT'S IN THIS PAPER

It's not a surprise that the insurance industry is rapidly accelerating its adoption of technology. With many sizeable benefits in ROI, the less expensive and far easier to manage cloud based solutions have practically eliminated the typical obstacles in adoption. Impediments such as allocating IT resources to manage the platforms and the typical complex in-house solution deployment models with high costs of purchasing have been replaced with lean, affordable turn-key offerings that can be acquired as simply as signing up for MailChimp or SurveyMonkey.

One of these technologies is mobile real-time video that can be delivered from a customer, employee, or a business partner in a highly efficient and interactive way to improve the speed and effectiveness of the claims operations.

Here are the 10 great ways how real-time video technology delivers value to insurance organizations.

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# 1 FIRST NOTICE OF LOSS

Call centers were created almost 50 years ago in 1967 to direct calls to a queue that would efficiently handle the volume of incoming calls for the operator. Shortly after, in combination with 800 numbers the call center began replacing mail-in complaint departments to improve the quality of customer service. Certainly, this was ages from today's modern computerized customer service environments, but the customer behaviors remain.

Today, real-time video can enhance customer support during the call for help. Being able to gain a real-time visual from the customer's point of view during the FNOL is a powerful capability that carries customer service in the new dimension. Not only does this workflow help reduce costs by minimizing dispatch of adjusters for small losses and eliminates any complexities acquiring additional clarity and information, it also improves the quality of customer service and satisfaction, and helps reduce fraud related risks by preventing material representation of the loss.

In automotive damage and accident claims, the right visual evidence captured at the right time is invaluable in providing protection and clearly establishing liability. In property claims, quick insight into the size, scope, and type of the damage expedites the claims resolution, while delivering an accurate settlement to attain high levels of customer satisfaction. Overall, early ability to see and assess the damage delivers an immense value in enabling fast and efficient claims handling process.

" Early ability to see and assess the damage delivers an immense value in enabling fast and efficient claims handling process



- **65%** of satisfied customers planned to renew policies compared to 40% who were less satisfied.

- Homeowners claims satisfaction numbers indicate that the carriers with the lowest cycle times fare the best.

- Cycle time within a claim was the biggest indicator of satisfaction.

*J.D. Power&Associates*

# 2 FIELD SUPPORT OPERATIONS

Though real-time video is an effective alternative to dispatching of an adjuster in the field for small claims, the industry will continue to rely on the field adjusters for larger and more complex claims. The Field Support Operations, however, face different challenges. Field operations are highly sensitive to many factors such as the location of the claim, the travel conditions, and the current claim volume and can take advantage of real-time video to help streamline the field inspection process to accelerate the claim cycle times.

Field adjusters perform numerous tasks traveling to the loss, inspecting damages, and documenting the information. Usually, the same field adjuster is documenting and reporting the damage, which makes the field adjustment process very unpredictable. In high claim volume conditions, the adjuster spends a lot of time on the road traveling to adjust losses, typically accruing the documentation workload for days until being able to upload the file for processing.

It's a well known challenge that balancing an adjuster's claim volume is difficult. As one Claims Journal article quoted an adjuster saying "We are always two to three people short of what we need to handle the workload." This is where real-time video helps.

A video captured during FNOL can be applied to triage adjuster's assignment in order to estimate the amount of time the field adjustment will require. In addition, the field process can be modified to split the claim documentation workload between two parties – the field adjuster and the desk adjuster.

Following Henry Ford's assembly line principles by dividing the resources into highly specialized segments achieves high levels of performance and productivity. During the inspection, the field adjuster can communicate with the desk adjuster through real-time video to streamline remote damage assessment. This enables the desk adjuster to effectively acquire the necessary details of the loss, eliminating the delay and extra documentation workload from adjusters in the field.

> The field adjuster can communicate with the desk adjuster through real-time video to streamline remote damage assessment

Hence, real-time video provides an opportunity to split up the adjustment process in two by creating a Centralized Damage Appraisal business unit to efficiently support desk claim handling capabilities for field operations, while the field adjusters can focus their attention on reaching customers as soon as possible and conducting on-site inspections.

# 3 INVENTORY AND CONTENTS

Inventory and contents documentation is the most time consuming and difficult process in adjusting a loss. Sifting through the debris, capturing pictures one by one, and documenting each item is a difficult task. Many solutions have been adopted in an attempt to enhance the efficiency of this operation from mobile apps to live phone operator transcription services. Real-time video delivers yet another improvement over the existing contents documentation options.

Presently, a contents specialist with a very unique skill set has to be on-site to document the damage. However, real-time video allows contents specialists to work out of the office, processing the losses from a centralized location without the need to remain on site. This allows utilizing general adjuster resources local to the loss to expedite the documentation. In addition, real-time video capability enhances the documentation process by being able to capture more than one item at the time. In a single video session, an adjuster can capture the objects on a video and itemize the contents by reviewing the recording at a later time in the convenience and comfort of an office environment.

> Real-time video allows contents specialists to work out of the office, processing the losses from a centralized location without the need to remain on site

# 4 SUPPLEMENTAL CLAIMS

Picture based technology brought many productivity enhancements to the automotive industry by being able to adjust vehicle damage simply from a picture. This improvement, though, did not have a significant impact on supplemental claims.

When it comes to supplemental vehicle claims, the vehicles are disassembled inside of a collision repair facility, awaiting their turn in additional claim adjustment review. This means that every day, throughout the country, there are thousands of auto damage appraisers and adjusters driving through the neighborhoods from body shop to body shop to review the claim damage that remained invisible until the damaged vehicle was disassembled for repair.

This provides a great opportunity to improve supplemental claim process efficiency by enabling the organizations to communicate with repair shops through real-time video. Collision body shops can deliver high quality interaction with a desk adjuster to quickly process a supplemental claim and reduce the costs associated with claim delays. Additional benefits include quality control over supplemental claim handing operations and increased customer satisfaction by the accelerated repair.

" Collision body shops can deliver high quality interaction with a desk adjuster to quickly process a supplemental claim and reduce the costs associated with claim delays

# 5 LIABILITY PROTECTION

When accidents occur, policyholders do a great job attempting to capture the information that may be of value for the claim. Yet, most policyholders make a mistake of capturing everything, *except* for the most crucial information.

It's not surprising. Policyholders are not insurance industry experts and simply are not aware of the right information that should be captured. Let's take an auto accident for example. Most policyholders capture dozens of pictures of a broken headlight or a dented bumper, but will rarely capture the traffic signs, the condition of the road, or a full picture of the intersection or a section of the road. This lack of evidence often causes significant expenses in legal and subrogation, often significantly exceeding total cost of damage repair.

Enabling the business to communicate with the customer at the scene of the accident with real-time video provides an opportunity to guide the customer to show and capture any of the information that the policyholder may have missed. This step not only helps deliver significant cost reductions, but also improves customer satisfaction by delivering customers a high level of service that protects them from being falsely held liable for the accident and experiencing increased premiums.



> " Most policyholders make a mistake of capturing everything, *except* for the most crucial information

# 6 CATASTROPHE OPERATIONS

One of the most challenging environments in insurance claims operations occurs as a result of a major weather event where policyholders in a large geographic area can be affected. In this environment, everyone in the organization comes together to help the insured restore their lives back to normal. However, the intensity and energy required for this difficult task take the toll on the organization for weeks, months, and even years after the event has passed.

Taking a detailed view into the claim reporting process during and after the CAT event, we will find that organizations generally handle policyholder's claims on the first come first served basis, which is highly inefficient. In order to provide better speed and efficiency of the response, the claims managers receiving FNOL notifications need to possess a much deeper understanding of the affected areas and the location of the resources in the field. It is always a challenge to manage field adjuster assignments in a high volume environment as dispatch becomes further disconnected from the field resources. In addition, the chaotic environment makes it difficult to verify the insured's damages in order to escalate and accurately plan the response time.

> **Organizations generally handle policyholder's claims on the first come first served basis, which is highly inefficient**

Under these conditions, it often comes down to the policyholder yelling the loudest being able to acquire a sliver of the faster response times. Real-time video is able to significantly improve field adjustment operations after a CAT event and reduce the strain on the organization. This can be done by fielding real-time video for FNOL workflows within the smaller claims and applying desk adjusters located many miles away from the affected areas to provide assistance. Interactive live video helps improve the claim triage process to prioritize and manage field adjuster assignments in an efficient way.

Lastly, total loss claims can be quickly verified from the locations most affected by the CAT event in order to expedite insured's assistance and provide faster and better quality options for longer term living accommodations instead of temporary shelters.

> **Interactive live video helps improve the claim triage process to prioritize and manage field adjuster assignments in an efficient way**

# 7 UNDERWRITING AND APPRAISALS

Underwriting and appraisals are yet another area where real-time video communication is able to deliver significant value. It can be achieved by enabling quick and efficient inspection of the property remotely.

To write new business, due care is taken to properly assess the risks to estimate the premiums. However, the premium calculated may not be suitable for the insured even though the expense of the appraisal has already been assumed. Real-time video helps reduce the cost of appraisals by providing remote inspection capabilities to assess the risk remotely without a need to dispatch on-site personnel, accounting to reduced costs and time. The immediacy of the appraisal process also allows more opportunities to write new business during the very first customer conversation and can be applied as a strong differentiator from the competition.



> Real-time video helps reduce the cost of appraisals by providing remote inspection capabilities to assess the risk remotely

# 8 TRAINING

Claims adjustment and appraisal process is complex. It requires many years of training and on the job experience to become a qualified professional in this field. Industry shortage of highly skilled personnel in this area due to the retirement of the senior staff is a common concern. How can an organization accelerate the training to deploy a new generation of adjusters?

Real-time video is a great tool to be applied from the field by less experienced adjusters. This technology is ideal to facilitate a live connection with a team of senior adjusters for any questions or concerns arising from the field. It not only serves as a helping hand in time of need, but can also be applied as a remote training and quality control tool that makes sure that each employee in the field is operating in highest levels of accuracy and performance.

> Serves as a helping hand in time of need, but can also be applied as a remote training and quality control tool



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# 9 CONSTRUCTION AND RESTORATION REVIEW

Insurance organizations employ many partnering construction, restoration, and remediation businesses to help policyholders protect their property from exacerbating conditions. These partners are ideal resources in the field to help identify any pertinent information from the site if any questions arise. Alas, currently, any concern or unexpected scenario has the ability to halt the process and cause a delay.

Real-time video is a great tool that improves the communication with construction and restoration partners in order to capture any missing claim information discovered during the visit, as well as providing quality control over the construction and restoration tasks executed. This technology can even capture the property in multiple phases during the restoration process to provide a complete and detailed picture before and after the restoration process was completed.

> Real-time video is a great tool that improves the communication with construction and restoration partners in order to capture any missing claim information discovered during the visit

# 10 CUSTOMER SELF SERVICE

There are many opportunities to reduce organizational workload by deploying customer self service models for support. Pictures have been able to achieve a great deal of efficiency for automotive workflows. Yet, they met their limitations, especially in property claims where each insured's home or business is different, and each claim and its environment is different as well. Under these conditions, the context under which the pictures have been taken is just as crucial as the picture itself.

Though offline video capture and upload has been attempted, it faced difficult challenges in both mobile device storage and file upload limitations. In addition, any recorded information poses a threat of fraud by being modified or misrepresented. This is where real-time video technology helps solve the challenges of video capture, upload, and protect the digital visual media all at the same time.

> " The context under which the pictures have been taken is just as crucial as the picture itself

Since real-time streaming technology pushes the video to the cloud storage instead of saving the file on the disk, the video content remains intact during transmission and does not encounter file size upload issues. In addition, the GPS coordinates are captured to document where the information was gathered to prevent fraud. Thus, video streaming technology enables organizations to acquire a "video voicemail" type of messages directly from the customers preferring to report their claims with audio-visual information in a self service model. Using this approach, these video messages are received and queued for follow-up by the claims managers similar to other asynchronous FNOL reporting channels such as the web forms, but carrying a lot more critical information.

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## Olek Shestakov

Olek Shestakov is CEO of Livegenic, and is an engineer, serial entrepreneur and vivid technologist. His background includes over 17 years leading Lean Technology organizations and numerous innovative initiatives. Prior to co-founding Livegenic, Olek held several executive and leadership roles, successfully delivering world class solutions in Telecom, Digital Video, Broadcasting, IT and Financial Industries.