The Power of Claims Analytics

The NFP's national claims practice works to empower and enhance our clients' ability to address their losses and exposures through various key performance indicators (KPIs) to improve upon their future placement strategies through analytics. Our approach to monitoring KPIs allows us to identify trends in the losses and quickly take corrective actions to reduce future exposures. Our review of carrier claims processes and administration assists our clients in maintaining stricter controls allowing for better claims handling and outcomes.

The most common KPIs of insurance claims are:

- **Combating Fraud:** Through aggressive data analysis NFP is able to delineate trends and identify potentially fraudulent claims. To determine outliers that maybe indicative of fraud, our claims subject matter experts will evaluate when, where and how accidents happen.

- **Reserve Integrity:** Estimating future claims exposures is a critical function of strategic claims management. By comparing the demographics of similar losses, correlations can be determined to predict future outcomes.

- **Reduce Claims Duration:** Patterns can be examined to isolate drivers of why some cross sections of claims close more efficiently than others. Benchmarking data – for example, geographical locations – is a helpful tool to identify the areas that are the most and least profitable from the claims and business standpoint. Our customers can use these results to make operational business decisions.

- **Reduce Claim Handling Costs:** Data mining techniques cluster and group loss characteristics to help ensure an appropriate adjuster is assigned based on the experience and loss type. By matching these two important attributes, claims will likely be processed faster, more efficiently and at a low cost.

- **Optimize Subrogation:** While claims adjusters have the primary role in moving subrogation opportunities forward, analytics can be used as a fail-safe. By mining claims data with key word/phrase searches, potential subrogation that may have been missed can be identified and channeled to the claims adjuster for review and investigation.

By thoroughly understanding our clients' exposures through data analytics, NFP tailors claims management programs for optimum efficiency and effectiveness. NFP efforts to maximize customer experience by identifying fraudulent claims, improving reserve accuracy, reducing claims duration, improving subrogation outcomes and decreasing overall claims handling costs.

Claims analytics is just another tool with which NFP is looking out for our client's best interests.

For more information, please contact Jeff Stagg at jeff.stagg@nfp.com.

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