

Hiscox UK Claims & Sapiens Decision

“Digital where it counts”



Hiscox Group Background



We are a diversified international insurance group with a powerful brand, strong balance sheet and plenty of room to grow.

- Headquartered in Bermuda
- A FTSE 100 Company
- Over 3,300 staff across 14 countries
- 'A' rated financial strength
- Over 100 years in the insurance business

Hiscox UK Claims

Who we are

Property Claims Team

- Based in Colchester and on the field
- Manage both Personal and Commercial Claims
- Market Leading NPS of 76 (2018)



Casualty and Specialty Claims Team

- Based in York and London
- Includes indemnity, liability, media, cyber and events claims
- Highly skilled and often Lawyers

Customer Research 2018

Our customers have high expectation of us and are more demanding

They trust Hiscox Claims to be **reliable, proactive experts** because:



Hiscox is perceived to be **more caring** than other insurers



Hiscox is **more expensive** – they expect the service to reflect this



Hiscox deals with **specialty coverage/cases**



They have received **recommendations** from others about Hiscox

Customer Research 2018

Increased desire to use digital claims options



	APC Brokers	PSC Brokers	Customers
Portfolio view of all claims on portal			N/A
Claims tracker			
Automated process for simple claims			
Instant chat with claims specialist			
FNOL online			
Upload documents and videos via portal			
Send messages to claims via portal			
Option to 'upgrade'			
Chat bot			

**“Be recognised as the leading claims service.
Digital where it counts, human when it matters.”**

UK Claims 2020 – Digital

What do we need to improve?

Our Claims Management System provides limited support to the claims journey:

- No support for new claims triaging
- No guidance on what questions to ask when a claim is notified
- No in-built fraud checks
- No prompts for next steps
- No recovery triggers
- No link to an online claims notification or management journey

In summary – we rely on the human expertise of our claims underwriters

UK Claims 2020 – Digital

What do we want to achieve?

- Deliver a consistent and fair claims experience for every customer, for every product and claim type
- Automate the triaging of new claims to get them to the right person, first time
- Provide prompts to the claims underwriters on what questions to ask
- Automate basic claims decisions to free up capacity
- Increase Day 1 Settlements
- Provide a smart and consistent omni-channel claims service
- Ensure robust governance and controls are in place
- Improve our identification of fraud and recovery opportunities

All as a complement to the natural, human and expert conversations our Claims Underwriters provide

UK Claims 2020 – Digital

Why not build our claims logic in the claims system?



Hiscox UK Claims Business Requirements

Sapiens Decision

The business requirements for a suitable rules engine were:

- Logic is business owned
- Ability to integrate with claims system
- Not detrimental to system performance
- Fast change capability
- UAT / testing inbuilt
- Low cost of change
- Minimal IT support
- Simple API integration
- Ability to drive an online claims experience

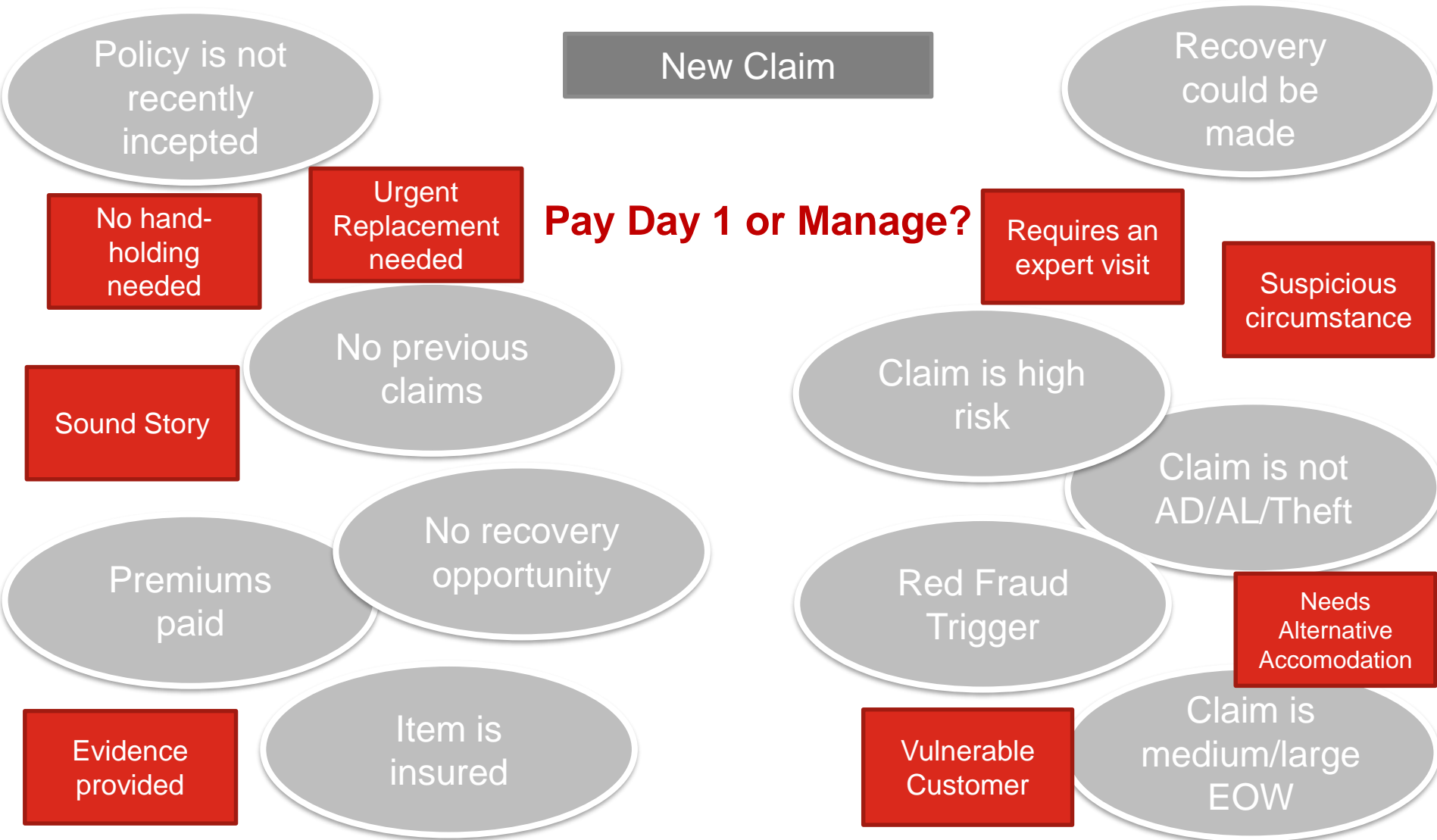


SAPIENS
Decision

IT and UK Claims reviewed the market options for a rules engine. **Sapiens Decision** chosen as the preferred solution as it meets all business requirement criteria.

Sapiens Decision

How does it support decision making?



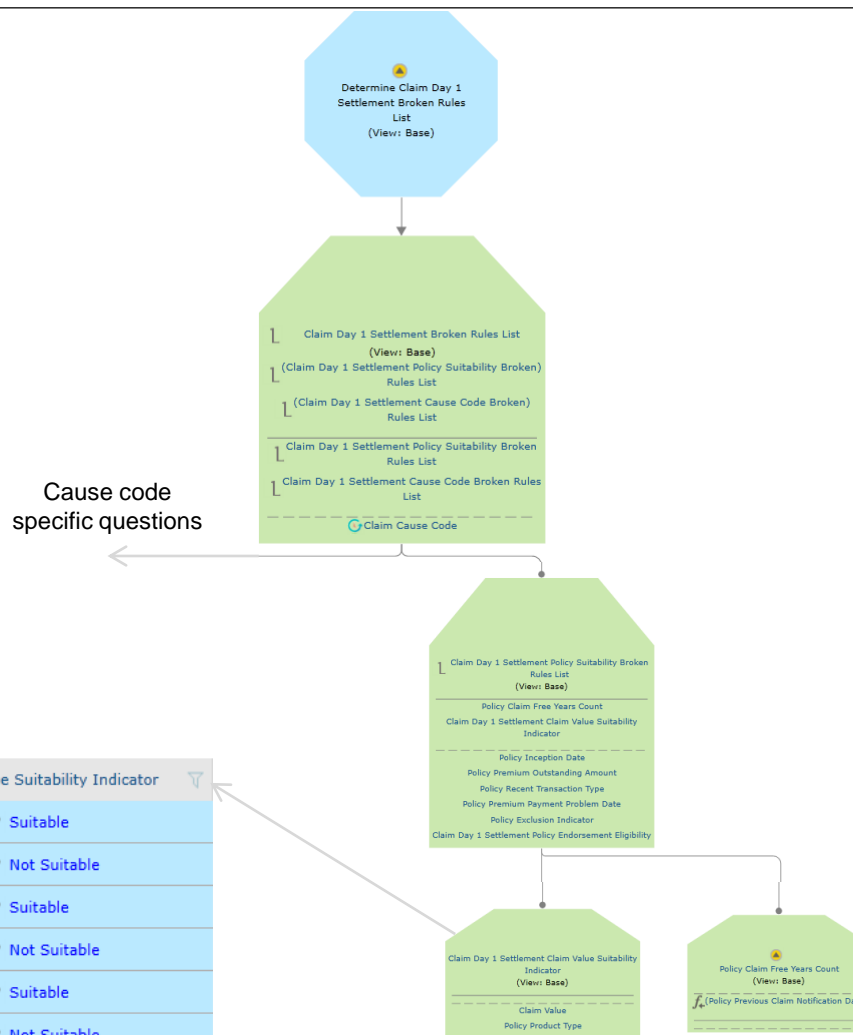
Decision Modelling

How do we structure the Claims models

Determine Claim Day 1 Settlement Suitability

Determined by:

- Cause code suitability questions
- Policy suitability questions:
 - Claim free years
 - Financial threshold
 - Inception date
 - Premium payments
 - Policy changes
 - Exclusions
 - Endorsements



Policy Product Type	Claim Value	Claim Day 1 Settlement Claim Value Suitability Indicator
Is v APC	Is Less Than or Equal To v £ 10,000.00	Is v Suitable
Is v APC	Is Greater Than v £ 10,000.00	Is v Not Suitable
Is v Commercial	Is Less Than or Equal To v £ 3,500.00	Is v Suitable
Is v Commercial	Is Greater Than v £ 3,500.00	Is v Not Suitable
Is v Direct Home	Is Less Than or Equal To v £ 5,000.00	Is v Suitable
Is v Direct Home	Is Greater Than v £ 5,000.00	Is v Not Suitable

Sapiens Decision

Decision in Action for UK Claims



POC Video
1m24s

Sits behind claims management systems

Uses business logic stored in Decision tables

Optimal 'next best' question suggestions

Prompts and supporting reasoning

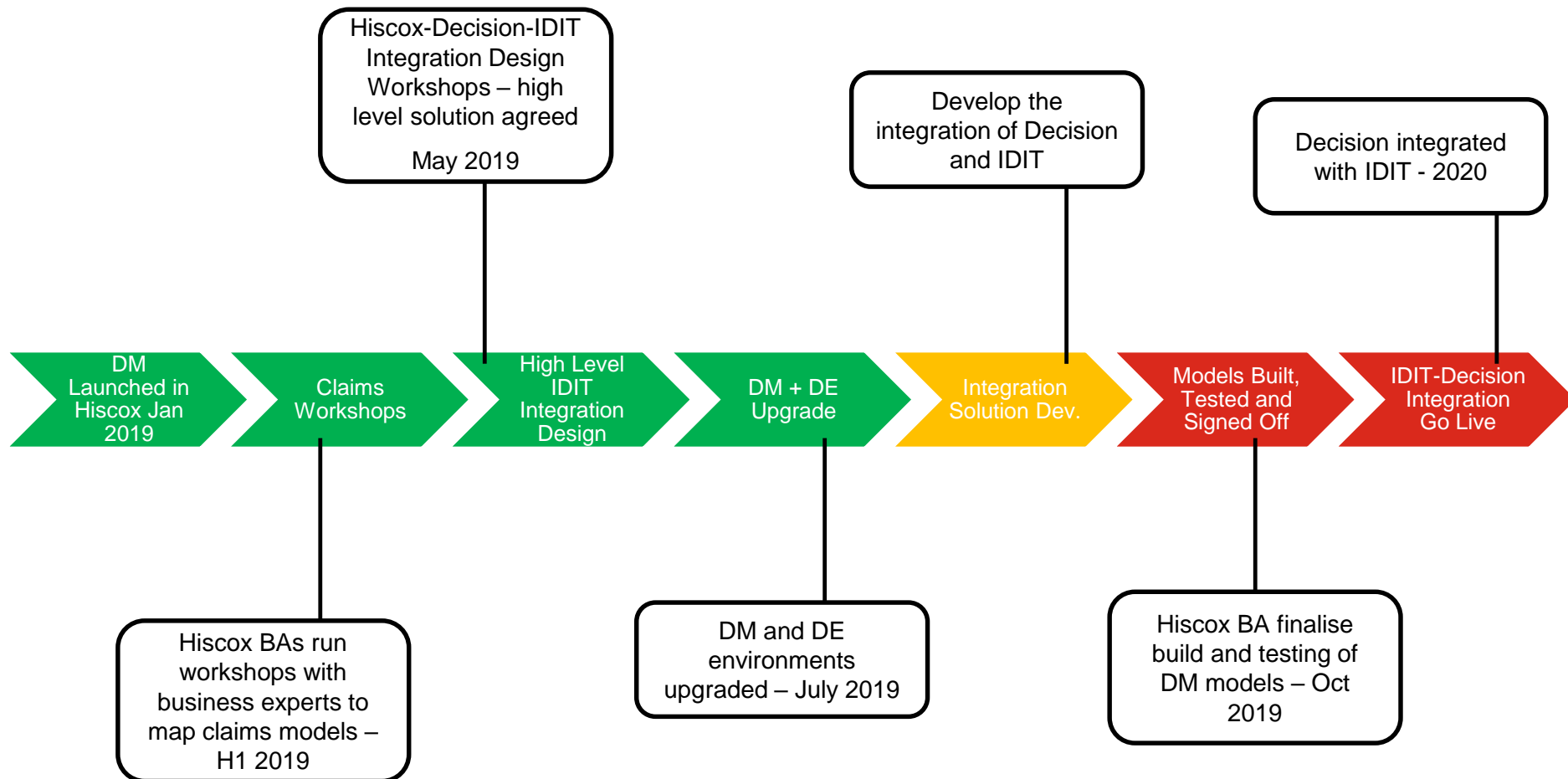
Automatically populates fields

Real time suggestions to claims handlers

A complement to the natural conversation

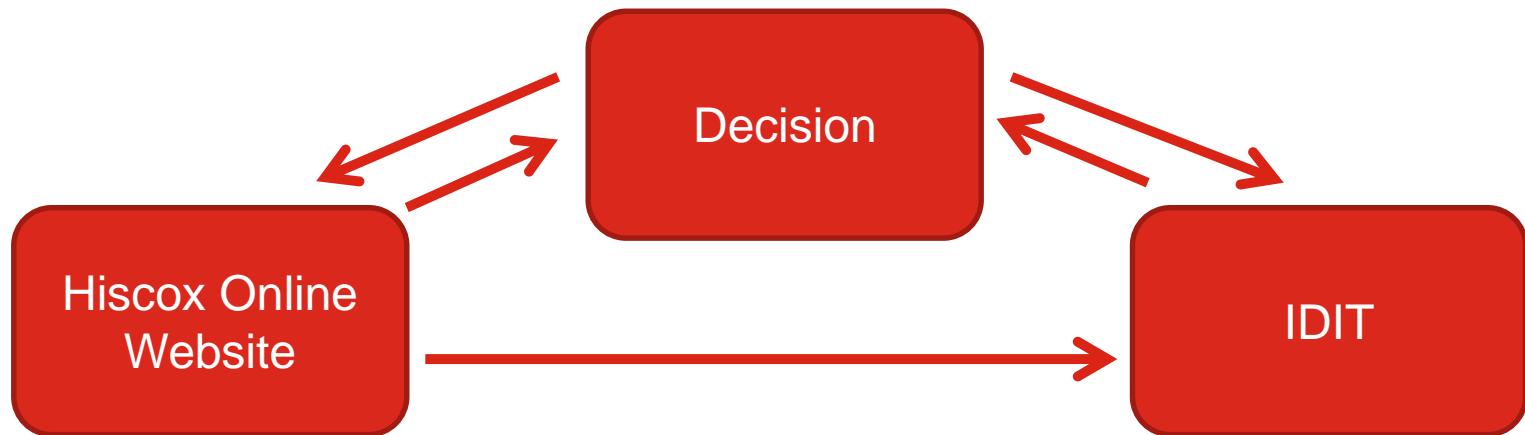
Business logic can be easily modified by users

Sapiens Decision and Claims System Implementation Plan



Sapiens Decision and Online Claims Notification

Decision Led Logic



- Decision will drive the next best question to ask the customer
 - Delivers the quickest and smartest claim notification journey
 - UK Claims team receives all required information first time – decreasing follow up calls to the customer and speeding up claims settlement
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- Stage 1 = email sent to central claims inbox (H2 2019)
 - Stage 2 = automate claims set up in Claims Management System (2020)

Questions?