

Case Study

Set up a New Claims Unit for an Insurtech



Initial situation

- Insurtech was acting as an MGA in a European country, writing personal lines.
- Claims were handled by a TPA.
- Claims deficiencies were identified: claims backlog, lack of work procedures, guidelines and insufficient resources on the TPA side.
- Insurtech wanted to establish an in-house claims team.



Project approach

- Mitigating claims leakage during the interim stage:
 - Prioritising the backlog to avoid any complaints
 - Coordination between the insurtech and the TPA
 - Close monitoring of the TPA's activities
- Consulted the insurtech on how to build internal handling capabilities (claims processes, IT system, service provider selection and oversight, training new personnel, fraud prevention etc.)



Results

- In stages, the insurtech took over the claims management from the TPA within 8 months.
- The insurtech's IT systems were improved to digitalise the claims journey and to include fraud prevention, a remote inspection tool, portfolio monitoring and more.
- A regular feedback loop between UW and claims was created, which reduced the loss ratio from >250% to <80% within 2 years.

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