



Claims Management Solution

General Liability
Line of Business



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At a glance



A general liability (GL) insurance policy — also known as business liability insurance — protects businesses from claims that result from normal business operations involving bodily injuries, medical payments, advertising injuries, and more. Almost every business has a need for GL insurance.

It's forecasted that liability premiums will increase by 4.7% (annual average) to USD 583 billion by 2040, representing 13% of the global P&C market. Social inflation-related factors are driving more frequent and severe claims verdicts and settlements in the US. In the longer term, emerging risk factors such as new technologies and environmental liability will contribute to additional liability exposure growth.

Claims teams are challenged with accurately assessing general damages and liability for complex claims. Insurers must respond with new analytical approaches and products to keep the growing risks insurable.

Claims Challenges

Optimizing Claims Resolution across Severity Types

Social trends are driving more frequent and high severity claims verdicts. Being able to triage claims quickly and accurately, assign claims seamlessly, and ensure that claims specific protocols are applied and executed on a timely basis will help you improve efficiency, reduce claim handling costs, and optimize claims resolution.

Litigation Management

For claims involved in formal legal dispute to be optimally resolved, insurers need to consider expenses and indemnity over time. Maintaining ownership of decision-making and effectively managing expenses, while collaborating with counsel is challenging. A claims system that is integrated with internal billing systems and counsel can help you ensure that expenses are accurately managed, while maintaining case transparency and client privilege.

Injury Evaluation Consistency

Similar claimants (e.g., age, gender, pre-incident condition, etc.) with analogous injuries and treatment should be evaluated on a consistent basis. A modern claims system should have a dynamic injury module that represents and enforces your injury evaluation protocols, while capturing all evaluation data for analysis - to consistently value and settle similar claims.

Omnichannel Communications

Your policyholders expect real-time communication across multiple channels (text, email, chat, phone, video). Unfortunately, most claims insurance technology is outdated and does not support omnichannel communications, leading to frustrated customers and unhappy adjusters.

Use Case:
Building an in-house claims operation

The Challenge

A rapidly growing insurtech reached the scale and claims volume where they were considering whether to bring their general liability claims operation in-house.

They performed an audit of their current TPA's claims process to determine if there would be a material improvement in expenses and accuracy if they resolved their claims. They were surprised at the following findings:

- There was little to none triaging of injury claims by the TPA. Often relatively minor injury claims were being assigned to more senior adjusters that were more expensive.
- Across similar claimants that suffered analogous injuries, there was significant variance in how the claim was evaluated and the settlement amount.
- Litigated claims appeared to be referred to outside counsel for resolution with minimal oversight and scrutiny over their activity or billing.

The Solution

The decision was made to insource their claims processing as soon as possible. Five Sigma was chosen for their modern, cloud-based API claims management solution (CMS) and internal claims expertise. **Within 6 months of deployment, all claims had been successfully insourced, with immediate improvement in LAE and resolution accuracy.**

1

Claims are now quickly taken by the company's call center or self-reported by insureds or brokers directly into the claims system.

2

The CMS automatically triage and assigns the claim to the appropriately skilled internal claims adjuster, based on the company's severity-based protocols.

3

Once the claims reached maturity, an adjuster uses the dynamic injury evaluation module to consistently value and settle similar claims.

4

If an injury claims goes into litigation, the adjuster simply refers the claim from the systems to the select outside counsel with a comprehensive summary of the claim and initial handling instructions. The adjuster continues to collaborate with outside counsel via the CMS as the case matures.

5

The new claims system is also bi-laterally integrated with an internal bill adjudication software. This facilitates seamless transfer/referral of medical bills for adjudication and then the return and recording of adjudicated bills for payment through the claims system.

Delivering value for GL Insurance Claims Management

Automated Claims Submission

Our digital claims management solutions (CMS) provide:

- All FNOL data received from the insurers/digital channels are embedded automatically into our workflows and ready for the next step in the process
- Rapid system identification of claim types
- Automated triage and adjuster assignment

Embedded Omnichannel Communications

Our CMS includes an API-level communication module that support all types of communications including SMS, mail, voice video calls, and even WhatsApp. All claims-related communication is documented, stored and analyzed automatically.

Just in-time Recommendations

Our systems flags coverage and liability issues and presents the adjuster with relevant information and investigative steps within the claims system.

Damage Assessment & Negotiation

The key to effectively negotiating a claim begins with accurate damage assessment. Our CMS includes a digital bodily injury evaluation module to itemize, assess and aggregate damages

Monitoring and Management

Based on our advanced data modeling, we enable insurers to monitor your operations and receive actionable insights that will help you make strategic management decisions.



Increased
adjusting efficiency



Improved accuracy



Optimized
decision-making



Enhanced
customer satisfaction

About Us

Five Sigma is a cloud-native, data-driven Claims Management Solution (CMS) with embedded AI/ML capabilities to allow simple and smart claims processing for the insurance industry. Five Sigma simplifies claims management by adding automated claims processing workflows, using data modeling and AI to provide smart recommendations, improving adjusters' decision-making processes and reducing errors.

Leading insurance carriers, insurtechs, TPAs and self-insured companies use Five Sigma's CMS to modernize their claims operations, reduce claims leakage, enhance compliance, and improve their customers' experience.

For more information, visit:
<https://www.fivesigmalabs.com>

