Insurance Subrogation Abbreviated Case Study

Company Overview

Leading Global Insurance (LGI*), a global services provider group, operates and serves insurance, banking and asset management businesses with nearly 155,000 employees worldwide and approximately 75 million customers in over 70 countries globally. LGI is a market leader in the European Union insurance market and has a strong international presence in claims underwriting and reinsurance.

Business Challenge

LGI wanted to improve the effectiveness and speed of identifying subrogation rights by unlocking the insight that is contained in unstructured data and text. To accomplish this, LGI adopted the following tactics to:

- reduce the amount of manual review required to identify subrogation cases and opportunities earlier in the claim handling and audit process
- increase the number of cases reviewed based on contextual discovery vs. random text sampling
- improve the accuracy of identifying subrogation opportunities to recover costs during the claims audit and review process
- expand the analysis effort beyond subrogation rights and review initial claims for fraud detection.

Solution

LGI deployed CONQ to focus on identifying claims and cases with subrogation rights. A substantial amount of claim and case insight is contained within the context of the unstructured data that is easy to miss during a manual review process looking at just a small sample of the actual claim and case load. By reviewing the entire case load and focusing on both traditional structured fields and unstructured data in context, the speed and accuracy of identifying additional subrogation rights claims was improved and subsequently expanded to review previous years.

Results

Within 8 weeks of deployment, LGI was able to identify subrogation opportunities. Based on the success of the first case load of subrogation claims, the solution was expanded to an additional team at LGI that included fraud detection. LGI achieved annual savings of over $700K in subrogation. By expanding to the Fraud Investigation team LGI avoided $1.4M in fraudulent claims settlements. As a company, LGI achieved an ROI of 5 months.

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* The actual name of the Leading Global Insurance (LGI) services provider group has been withheld because of Mutual Non-Disclosure Agreements (MDNA) between the parties.

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