

# Insurance companies turn to AI tools to process claims

Vijesh Kishore  
@timesgroup.com

**Chennai:** From processing claims to fraud detection and facial recognition, Artificial Intelligence (AI) has made inroads into multiple facets of the insurance sector. Digital insurance companies leveraging AI tools over the past decade, it has gained significant momentum in recent years.

AI is playing a key role in decision making, risk mitigation, quick customer onboarding and faster claim resolutions, while reducing costs.

Digital life insurance company Aegion Life is utilising facial recognition technology to identify gender, age and general well-being and helps in validating information already provided by

customers. Chulamandiam MS General Insurance Company Ltd is engaging AI in its motor claims servicing through an application for motor damage assessment and claims settlement, wherein 94% of motor claims are settled through this application.

Shriram Life Insurance Company (SLIC), which has about 45% of its retail premium being sourced from rural areas, uses AI and digital technology for retail claims management.

"We use technology to analyse historical claim data, identifying patterns to effectively manage claims. With AI-based predictive models, we can anticipate claim trends and provide proactive service to policyholders and nominees," SLIC MD and

## AI GOES UNDER-COVER

> AI is playing a key role in decision making, risk mitigation, quick customer onboarding and faster claim resolutions, while reducing costs.

> Chulamandiam MS General Insurance Company is settling 94% of its motor claims

through an AI app

> Such initiatives have reflected in rapid claim settlement, which includes settling of non-investigated claims within 12 hours even for the remotest of regions, said Shriram Life Insurance Company



CEO Cuperius J Kreshniah said.

Such initiatives have reflected in rapid claim settlement, which includes settling of non-investigated claims within 12 hours even for the remotest of regions, he added. The company started engaging AI tools in the past five years and using it across

many areas of business, which is approximately 30%-40% of the processes.

Leading standalone private health insurer, Star Health and Allied Insurance Company Limited, says rapid adoption of claims using AI/Machine Learning (ML) based tools for digitisation and automation has helped in

drastic improvement of turnaround time. Its MD & CEO Anand Roy said, 80% of cashless claims evaluation are processed using automation engine.

"Last year, we've seen a significant increase in auto-adjudicated claims. About 80% of our teams and departments use AI & ML based tools for customer experience improvements, efficiency enhancement and cost optimisation," he added.

SHI General Insurance underscores that AI has the potential to revolutionise the insurance industry making it more efficient, effective and customer-centric. "The implementation of AI has proven highly effective enabling us to enhance our operations, reduce costs and deliver better

service to our customers," said MD Pankaj Kumar Pandey, chief information officer, SHI General Insurance.

On the other hand, K V Dipu - senior president & head-operations & customer service, Bajaj Allianz General Insurance emphasises that the human factor remains crucial in the Indian insurance industry in areas such as customer relationships and claims assessment in the age of AI.

"While AI and automation technologies have made significant advancements in streamlining processes and improving efficiency, human involvement remains essential for certain aspects," he said. More than 90% of the company's policies are issued digitally with the help of AI and related tools.