

# Robotic Process Automation in Insurance

Policy Administration

## Innovating policy administration with RPA

Policy administration is a critical activity that involves policy maintenance and servicing and claims management. The processes include matching policy holder's data while adhering to the prescribed rules while processing the information. The work also comprises data processing and validation between various applications, combined with extensive document management required for compliance.

RPA technology can help insurers integrate the different systems and automate transaction processing through software 'bots' that are easy to code, deploy and scale. These bots can work seamlessly with the existing applications and escalate fallouts to their human colleagues.

## Benefits delivered

Wipro's RPA solution can achieve up to 40% cost reduction over a period of 24 weeks. In addition, the solution helps:

- Reduce time to serve by 60% through faster transaction processing
- Generate up to 70% productivity benefits through FTE reductions
- Enhance accuracy up to 95% through elimination of manual efforts
- Standardize process steps
- Improve compliance to regulatory requirements
- Enable risk free transaction processing for sensitive data

## Degree of automation available

### Policy servicing

Process	Rule/Judgement-based	RPA Applicability	Automation Percentage
Electronic application capture	★	⬡	55-65%
Quote management	●	▬	
Underwriting rules and guidelines	●	▬	
Risk evaluation	▲	■	
Rating and pricing	★	⬡	
Policy issuance	★	⬡	
Forms and correspondence	★	⬡	
Endorsements	●	▬	
Cancellation	★	⬡	
Renewals	●	▬	
Data collection through forms, mails	●	▬	
Management reporting	★	⬡	

## Claims management

Process	Rule/Judgement-based	RPA Applicability	Automation Percentage
Notification of loss	★	⬡	40-50%
Claim entry	★	⬡	
Policy retrieval and coverage validation	●	▬	
Loss evaluation	★	■	
Claim processing (setting limits, adjustments and voids)	●	▬	
Claims adjudication	●	▬	
Operations and reporting	★	⬡	

## Billing and payments

Process	Rule/Judgement-based	RPA Applicability	Automation Percentage
Generate insurance premium invoice	★	⬡	70-80%
Manage and track receivables	●	▬	
Calculate charges & taxes	●	▬	
Link to external payment systems: credit card, electronic fund transfer	●	▬	
Multiple integrations within accounting systems	★	⬡	
Generate billing period reports	★	⬡	
Track account receivables - invoice, payment and shipment	★	⬡	
Record payments against all invoices	★	⬡	

Estimated benefits based upon Wipro experience, subject to due diligence

## Legend

Rule-Based	★	Medium	▬
Rule-based and involves judgment	●	Judgement-Based	▲
High	⬡	Low	■

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## Success story

### Client

The client is one of the leading US based healthcare companies serving approximately 70 million individuals nationwide.

The Wipro team delivers Provider Contract Data Management services to the client.

### Business challenge

- Healthcare payers process thousands of contracts each year. These are validated through a time consuming, error prone, and complex process involving several steps.
- The process generally encounters high defect rates, resulting in lower accuracy of contracts being loaded. This, in turn, results in backlogs and high turnaround time.
- The rework rate is also high due to multiple manual hand-offs and errors.

### Solution

- Identification of opportunities through Value Stream Mapping (Wipro's proprietary BPMS) and DMAIC(Define, Measure, Analyze, Improve and Control) approach.
- The team designed four robots in 90 days and sequentially bundled them to automate 75-80% of the process.

### Benefits

- Reduced nearly 30 minutes of post-processing documentation by automating 75- 80 % of the process.
- Improved productivity from 70.16% to 100%.
- Generated cost savings of approximately USD 60,000.





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