



INTEGRATING ANALYTICS WITH THE HUMAN ELEMENT IN CLAIMS MANAGEMENT

Organizations in the claims management space have long used data to drive operational improvements. Gallagher Bassett's leaders share how they leverage data to empower their teams.



Jennifer Kastenholz,
Vice President of
Strategy & Operational
Performance

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Reinventing the Approach to Quality

When it comes to claims quality, the most standard industry approach is to conduct open- and close-end audits on claims files. And while valuable information is derived in the process, this long-standing and storied approach has several flaws when an organization is scaling rapidly and wants to drive performance swiftly. Not all auditors will interpret the facts of the claims the same way, which can create confusing results. They are often limited in frequency and volume, making it difficult to understand and identify data trends and limiting the capability to affect the claim trajectory in the present. To this end, Gallagher Bassett focuses on delivering SMART—specific, measurable, achievable, relevant, and timely—measurements. The company is driven by the goal of providing real-time information such that if a course correction is required, it is completed promptly to improve the claim's outcome. The suite of quality tools that meet these criteria is now referred to as ROSCO (Realtime Opportunities for Superior Claim Outcomes).

The world, as we know, is changing, and the epicenter of it is COVID-19, dramatically impacting the course of people's lives and business operations. To say that the repercussions of this global crisis are devastating would be an understatement. Industries worldwide have taken their biggest hit in recent decades, and the insurance industry is not immune to the effects of the shutdowns and future uncertainty. But, the industry is also in a unique position that creates real opportunities—after all, the business of insurance was born out of a need to better manage risk and catastrophes such as the current pandemic. While some in the industry are still struggling to embrace a remote working model, others who have made the transition quickly are able to focus on guiding their clients through these uncertain times.

At the forefront of this dynamic shift is Illinois-headquartered Gallagher Bassett—a leading global provider of risk and claims management services. Gallagher Bassett pioneered remote work in the industry over a decade ago and has spent the time since perfecting the tools, processes, and employee engagement elements that are critical in effectively managing a remote workforce.

"In recent months, we have seen the power of digital transformation come to life as we manage more of our claims operations remotely than ever before. We quickly and safely transitioned the remainder of our teams to our proven remote work environment, and they now work safely from home with no decrease in claims outcomes. Our quality, productivity, and objective outcome data prove that out and helped us ensure that we didn't miss a step since the pandemic hit. The COVID-19 crisis has not tested our strength but rather revealed it," says Ajay Sinha, Executive Vice President, Claims Operation at Gallagher Bassett.

Gallagher Bassett has successfully blended the use of cutting-edge analytic tools with the "human element" of claims management to deliver superior outcomes. Organizations in the claims management space have long used data to drive improvement in operations, but Gallagher Bassett is leading the way by enabling its teams to use data to improve their decisionmaking skills. As Sinha mentions, the goal is not to enhance technology in a vacuum but to empower the operational teams and strengthen their expertise to assist clients in the best way possible.



Ajay Sinha,
Executive Vice President,
Claims Operations



Marrying Science and Real-World Experiences

With a mission to facilitate seamless claims management, Gallagher Bassett continues to invest in and devote energy to product development and innovation. In the context of product innovation, Gallagher Bassett brings together its deep and broad based claims expertise with data, in ways never before imagined.

"We take the output of complex analytical models based on hypotheses of what would deliver a superior outcome and put it through the real world test. Analyzing the conclusions in the context of real and active claim scenarios, we assess the value of the analytics and resulting decision support," says Sinha. He further mentions that what they tend to find through this process is despite the ever-growing power of the data and analytics, there are still limits to insights that can be obtained from the data.

As such, the company marries real-world experiences and nuances of the available products—across jurisdictions and lines of business—and feeds the information to the analytics team such that the models can be tweaked. Further, Gallagher Bassett facilitates a closed-loop product innovation process that continues throughout the life

of its innovations, particularly the decision support tools, while refining the analytics through human experience.

"We ask ourselves what decisions are we making, and are they having the desired effect? If not, why not? And then we go through the process again—combining data, analytics, and human experience—and continue a cycle of development," mentions Sinha.

Gallagher Bassett leverages this information and tools to improve the outcomes across portfolios of claims—guided by the richness of the analytics. It also serves as an optimization function around workload management.

What steers Gallagher Bassett ahead of its competition is its highly powered analytics team coupled with deep expertise across lines of business. It delivers results by leveraging leading-edge data visualization tools it offers its employees and clients. Case in point, the company's Clinical Guidance tool was developed with the notion that the more accurately and early the need for a clinical resource can be identified and deployed in the development of a Workers' Compensation claim, the better the results. Examining over 30 years of claims data, Gallagher Bassett pulls in both independent and dependent variables from its own claims to develop

specific mechanisms and deliver guidance on when and how to intervene from a clinical perspective.

From an operations perspective, it enables Gallagher Bassett to directly deliver the outcome of the decision support tool to the front line so that they are ready to acknowledge, accept, and act upon it.

When our analytics or decision support tools produce an insight, we deliver that insight efficiently into the claims team daily workflow. We make it simple to act on the information and seamless to complete the feedback loop," adds Jennifer Kastenholz, Vice President of Strategy and Operational Performance at Gallagher Bassett.

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A Data-Driven Culture at the Core

Gallagher Bassett prides itself on hiring great people and is squarely focused on developing best practices while investing in training and development programs to help them evolve.



"Clients get greater value from experts—these tools allow the role of the claims professional to progress, allowing their focus to move from a task-based function to one where their expertise lies. That's our goal—to get the right expert at the right point to leverage their knowledge," informs Sinha.

The team of experts at Gallagher Bassett digests vast amounts of complex knowledge and inputs that are sometimes indeterminate (such as a person's propensity to malingering, or to initiate litigation) in conjunction with the hard facts such as the circumstances or potential value of a loss. By harnessing the expertise of thousands of claims adjusters over many years, the company incorporates the information in very subtle but poignant ways to its workflows to make better decisions and limit human errors.

According to Kastenholz, what has propelled Gallagher Bassett to grow aggressively over the past few years is its data-driven culture. The company initiates analytics projects by listening to claims professionals' needs and understanding what can be operationalized to improve a claim file or the management of a portfolio of claims. Following this, pilot teams are assembled with the best experts to participate in developing a product along with the project management and

IT teams. Even for large transformation efforts, Gallagher Bassett invests heavily in rolling a product out properly. For instance, when the company introduced its Quality Dashboard tool to its operations team, multiple remote and in-person training sessions were conducted. Kastenholz adds, "We keep the user experience as consistent as possible between tools to make the transition to the new tool as seamless as possible. We make the same tools available to our account managers, and, in some cases, we have even opened the door up to clients directly to let them access our tools."

Steering through Choppy Waters

For the last few months, Gallagher Bassett has concentrated its efforts on mitigating the risks claim managers encounter during these trying times. To this end, the company has leveraged its experience as a pioneer in remote workforces (GB started allowing telework more than a decade ago—well before the current pandemic).

"When our teams moved to shelter in place, we shared the best practices from our managers, supervisors, and Resolution Managers who had years of experiencing remote teams with those who were transitioning to a home working environment for the first time," says Kastenholz.

The supervisors shared their insights into how they worked to create an atmosphere of engagement and connection. In terms of delivering the tactical and technical aspects of the resolution managers' experience, Gallagher Bassett's tools have created a consistent experience, irrespective of their team working in the office or remotely. By creating these tools, the company has empowered the managers to keep a pulse on the progress of operations and enabled them to foster engagement and connection.

"Our tools proved critical in the transition to remote work. We lost no oversight of the work and kept the results consistent," concludes Sinha.

