

Claims & Underwriting Operations Consulting

In today's unpredictable and complex market environment, clients and their counsel rely on FTI Consulting, Global Insurance Services to help improve claims and underwriting performance – financial, operational and customer experience.

REPRESENTATIVE CASE EXPERIENCE

Claims Operational Improvement
 Performed multi-year redesign of the claims, investigation and legal department of the second largest transportation administration in the US; including process redesign, cross-functional integration of supporting investigative data, development of key data metrics and implementation of document management software supporting the claims legal departments. Roughly \$11M in annual savings.

Insurance Software Patent Dispute
 FTI Consulting served as the subject matter witness in a software patent liability dispute between a large consulting firm and a software company involving two competing claims workstation software products. FTI Consulting's client was successful in its claims for patent infringement.

Claims Shared Services Performance Optimization
 FTI Consulting assisted this multi-subsidiary, large domestic insurer in achieving efficiencies and economies of scale related to its 20 + claim financial processes. FTI Consulting designed a Target Operating Model and served as the central project management office for the implementation of a centralized shared-services function; including strategic design, roll-out of this standardized solution.

MEETING THE CHALLENGES: THE FTI CONSULTING DIFFERENCE

The interrelated risk aspects of claims and underwriting with other financial and operational functions, requires a multi-disciplinary team with deep insurance industry experience and expertise to understand and identify issues and provide solutions.

FTI Consulting team members include actuaries, claims specialists, CPAs, forensic accountants, investigators, and former regulators with hands-on financial, operational, regulatory and litigation support experience in the full range of claims functions across all lines of business within insurers, reinsurers, captives, risk retention groups, brokers and insureds.

Our professionals have experience and expertise spanning a broad range of industries that require standard and specialty lines of business, including auto, property (including construction), marine, surety, title, workers compensation, business interruption, general and professional liability, medical malpractice, accident and health, asbestos and other health hazard mass torts, bonds, finite reinsurance, and catastrophe and terrorism.

OUR KEY SERVICES

We work collaboratively to help our clients meet the challenges created by the demands to achieve superior results while reducing costs. Our experts diagnose underwriting and claims to ensure that products meet corporate risk, pricing, performance, market and customer experience objectives. We apply proven methodologies and data-driven analytics to mitigate risks and improve processes and key performance metrics and recommendations that span the underwriting and claims lifecycles. Our experts also apply their expertise and extensive experience in supporting the needs of counsel when claims disputes arise.

- Actuarial and case reserve analysis
- Business metrics and data analytics
- Business transfers and schemes of arrangement
- Expense containment
- Leakage analysis
- Litigation support
- Performance optimization
- Runoff services
- Technical assessment
- Performance optimization

CASE AND ACTUARIAL RESERVE ASSESSMENT

Our team of claims, actuarial and financial experts quickly assess reserve requirements, recommend adjustments, and establish appropriate valuations using a combination of case review, statistical analysis of comparable historical data, and various predictive modeling techniques.

Our comprehensive approach to reserve review provides our clients with the opportunity to improve pricing, gain more certainty over claim development, achieve more accurate loss projections, improve use of capital, and support domestic and international compliance and regulatory requirements.

BUSINESS METRICS AND DATA ANALYTICS

FTI Consulting is a leader in the application of advanced analytics to improve data quality and process effectiveness, and to achieve performance improvement. We support our analytics technology and methodologies with benchmarks and metrics that enable clients to track and achieve continuous improvement.

EXPENSE CONTAINMENT

Our expense containment services enable clients to more effectively use predictive analytics at intervention points to create value; to track risk and performance and take remedial action. Our underwriting expense containment assesses process efficiency, pricing and underwriting risk. Our claims expense containment program reduces claims frequency, total indemnity spend and claims operational costs. We are also able to forecast the outcome of a claim at various intervention points; provide detailed analysis and insights of first and third-party supplier spend and vendor networks to understand the advantageous and disadvantageous relationships among suppliers.

LEAKAGE ANALYSIS

We work collaboratively with claims management personnel, analyzing files, operational metrics, processes, systems and data to identify issues, patterns and exceptions, including resolution timing problems; excessive third-party costs; erroneous or missing information; deficient business rules; unnecessary manual intervention; technology inefficiency; circumvention of policy; lack of quality checks; and deficiencies in controls and fraud prevention mechanisms.

Our analysis includes the ROI of loss adjustment expenses and recommendations for achieving immediate and long-term improvement in client operations.

LITIGATION SUPPORT

Our team includes professionals with expertise and experience in all aspects of underwriting and claims situations. We support clients and their counsel with dispute resolution services that encompass the complete litigation lifecycle, from an initial triggering action to post resolution compliance and monitoring. We provide expert opinions, analysis, reports and testimony before a variety of national and international litigation and arbitration venues. Our experts have been recognized as global leaders in "Who's Who Legal 2018: Experts, Insurance & Reinsurance."

PERFORMANCE OPTIMIZATION

The Performance Analytics group is a Global Insurance Services "Advanced Analytics Center of Excellence" for the application of advanced analytics and Lean 6 Sigma in achieving performance optimization. Our teams collaborate with client resources while taking advantage of leading technology to bring the organization forward toward transformational objectives. We have an enviable track record of achieving cost reductions while improving enterprise performance.

BUSINESS TRANSFERS, SCHEMES OF ARRANGEMENT, AND RUNOFF SERVICES

Our business transfers, schemes of arrangement, and runoff services involve a multidisciplinary team and resources capable of supporting stakeholders that include insurers, reinsurers, insureds, captives, capital markets, and regulators. Our services address financial, operational, regulatory and risk considerations covering premium collections; claims management and settlement; coverage terms and intent; commutations; portfolio management; liability matching; hedging strategies; cash flow; value at risk; data quality and management; technology and skills; licenses; and compliance and reporting.

TECHNICAL ASSESSMENT

Our technical services includes an assessment of the adequacy of the underwriting and claims organizational structure and resources; operational processes and controls; performance standards and measurement; audits and controls; reporting; information systems and data quality; third party contracts and performance; claims approval, payment and denial timeline; achievement of corporate objectives; and arbitration and dispute resolution support.

Contact our experts to learn more about claims operations improvement as well as our claims consulting services.



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EXPERTS WITH IMPACT

About FTI Consulting

FTI Consulting is an independent global business advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. FTI Consulting professionals, located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges and opportunities. For more information, visit www.fticonsulting.com and connect with us on Twitter (@FTIConsulting), Facebook and LinkedIn.