Auto Casualty

Five Questions With Shahin Hatamian on How to Incorporate More Automation in the Claims Process

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5 MIN READ

We sat down with Mitchell Senior Vice President, Shahin Hatamian, to discuss how claims organizations can utilize automation to help expedite processes, thus enhancing overall efficiency and helping claims organizations to better achieve their business goals.

1. What are some ways in which companies can incorporate claims automation within the auto casualty and workers' compensation industries?

Today, we live in a world where technology and automation surround us. Whether it be corporations utilizing software platforms to eliminate the manual burden of paper, or teenagers operating financial apps like Venmo, automation is here to stay—and for good reason. Businesses today practice a variety of techniques to help automate their workflows and to reduce manual work that could be replaced by technology. Below, I address three practical recommendations in helping claims organizations elevate automation to enhance efficiency: increase straight-through processing, provide more data within the claims process through integrated technology and reduce paper intake.

2. How can organizations increase straight-through processing in their claims workflows?

Claims organizations can boost claims processing efficiency by expanding their rate of straight-through processing. Increasing straight-through processing can shorten the lifespan of the claims journey and reduce the amount of manual labor required to process medical and non-medical bills. These benefits can help businesses facilitate smarter decision-making and allow for enhanced efficiency and employee productivity. Integrating claims automation into the process, such as implementing rules based on treatment guidelines or thresholds, can simplify burdensome patterns and allow bills to automatically pass through, eliminating the need for human intervention. Establishing these types of rules not only streamlines workflows, but they can also alleviate errors. According to McKinsey & Company, digitizing a claims workflow can powerfully affect and lower the cost of a claim journey by 30 percent. Finding ways to incorporate additional straight-through processing can transform

the claims process and help businesses optimally achieve their goals.

3. How can claims organizations integrate more data within their claims processes and platforms?

Collecting and applying data within the claims process is one of the keys to success in today's competitive market. According to a Forbes article, "there are 2.5 quintillion bytes of data created each day at our current pace." With all of this data so readily available, claims organizations are more prepared than ever to use reporting and analytics and help their adjusters make data-driven decisions. For instance, combining multiple solution platforms such as bill review and pharmacy benefit management can make it easier for adjusters to physically see and understand the connection between the provider's prescriptions and medical treatment, rather than switch back and forth between platforms. Integrating various data types, such as utilization review decisions, medical bill review data and treatment authorizations, for example, equips adjusters with relevant information at their fingertips to help them facilitate better decision-making when approving or denying treatment service and bill matchups. However, even though adding more data into the process is helpful, delivering the right data at the right time is even more valuable. Data overload is a huge obstacle for many businesses struggling to provide adjusters with appropriate and relevant information. A Harvard Business Review article states that in order to seek out the most meaningful data strands, companies should ask themselves the following questions:

- What decisions drive waste in your business?
- Which decisions could you automate to reduce waste?
- What data would you need to do so?

Being proactive about addressing these questions can help businesses make better decisions when selecting pieces of data to incorporate within their claims processes.

4. How can paper reduction help mitigate challenges and roadblocks within the claims process?

Historically, claims processing has primarily been paper-based. However, as more and more companies begin to invest in automation, we see how valuable digitization can be. Transitioning from paper processes to automated platforms offers multiple advantages for not only the claims organization and its employees, but also for claimants. According to an article from McKinsey, digitization is beneficial to key stakeholders and can "lower cost, increase flexibility, improve quality with lower risk" and offer "faster service and distinctive insights." One way claims organizations can implement automation and begin to digitize their claims process is to work with a technology-enabled services partner to capture and code bills into a bill review platform on the front-end, which may help reduce the time and energy an adjuster would have spent to manually import the data themselves from paper bills. Though fully eliminating paper processes may pose challenges to claims organizations, encompassing digitized processes can produce effective results, especially within the workers' compensation and auto casualty industries, which require both repetitive action and large volumes of information and data.

5. What do you envision the near future of claims automation will look like in the auto casualty and workers' compensation industries?

There is a wide variety of both existing and emerging automated tools that I envision will be quite popular. Along with the examples mentioned previously, we are seeing companies increasingly adopt existing technologies, such as electronic billing and payments, and optimizing the use of legacy technologies such as rules engines. In terms of newer technologies, I believe artificial intelligence will continue to be one of the leading trends in automation. According to PwC, "72% of business execs believe AI will be the business advantage of the future." There are multiple types of artificial intelligence, including rules-based learning, machine learning, deep learning and more, that I think will make strong appearances in the market. I like to refer to these systems as 'smarter solutions' since they help us become more automated. The automation that we realize from these systems help us facilitate better decision-making by simplifying thereby increasing operational efficiency within the claims process. These innovative machines are the way of the future and will be more prevalent than ever in the upcoming years, as companies seek ways to implement smarter solutions.

Conclusion

The auto casualty and workers' compensation industries are inching their way towards increased claims automation every day, which can positively improve a company's productivity, efficiency and timeliness to complete their goals and objectives. Making smarter decisions such as increasing straight-through processing, incorporating more data into claims processes and transitioning from paper processes to digitization, are a few ways in which businesses can produce quality work, mitigate challenging pain points and deliver effective outcomes for both internal and external stakeholders.



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