

Forecasting the Future of SIU Claims in a Post-COVID-19 World

The ways insurers investigate and litigate claims in the future will change. Here's how.

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With the state of insurance in flux due to the pandemic, the special investigative unit (SIU) is exposed and not immune to what likely will result in a revised business plan in a post-COVID-19 environment. Vaccine creation, trials, and an eventual rollout will attempt to conquer the pandemic's effects on a global economy. Whether these measures are successful or not, one thing is certain, the ways that we investigate and litigate claims in the future will change. A recalibration of the industry is coming, so now is the time to forecast and plan.

New Technology on the Horizon

The first element of the forecast is a relatively easy call to make. The industry at large is poised to invest in more technology. There is no doubt that COVID-19 has accelerated the transition away from brick-and-mortar toward virtual claims. In the last decade, we have watched SIU claims teams transition from field investigators to desk investigators to now virtual remote investigators. Knowing that our workforce is more virtual and likely to stay that way makes it extremely probable that carriers will place more money and time into robust platforms to support the new environment.

Additionally, these new technologies, and particularly artificial intelligence (AI) capabilities, will enhance the low touch/no-touch progression of SIU claims. For example, a highly efficient AI system capable of scanning for anomalies and that has a propensity to learn from its mistakes, will surely be atop carriers' wish lists in 2021 and beyond. Likewise, that same AI platform will improve response time to the SIU by putting suspect claims in front of an investigator at the first notice of loss. Thus, claims and SIU should both get a process lift in terms of efficiency and responsiveness, further enhancing the consumers' experience.

It is also foreseeable that technology will further advance the remote workforce. Technology is driving the work-from-home movement as contemporary claims, and SIU platforms can do more in less time without a human touch. If human involvement no longer necessitates an "on-site" presence, then the proliferation of the remote workforce will rise.

Skeptics will argue that this posture is seeking to replace humans and will only result in job elimination. Another view is that the technology will serve to enhance

the human touch whereby the adjuster or investigator can give every claim the attention it truly deserves. Whichever side of the argument you fall on, the bottom line remains, the investment is being made, and the dynamic will evolve.

From a practical standpoint, the good news is that the investment in InsurTech will enhance the customer experience, especially during the claim process. For consumers, the speed and ease of claim resolution are what drives the customer experience. With less personal interaction with the insured, the expectation on claim resolution, pay or deny, is at an all-time high. The customer satisfaction benchmark has never been more important than it is now as efficiency in the process buys a lot of loyalty these days.

Going to Court Post-COVID-19

Other aspects of the forecast could be troublesome. That is, will policy terms and conditions be relaxed by our courts in a post-COVID-19 world? Before the pandemic, in 2019, we saw a national pattern of troubling cases that simply ignored policy terms regarding PIP litigation. Needless to say, the consequences of the pandemic have the potential to continue this trend as one need only look to the liberalization of telemedicine regulations. Is it, therefore, possible to see the courts no longer strictly construing cooperation clauses out of fears relative to COVID-19? It may be advisable to take a hard, national look at how courts are treating issues to better forecast how litigation may look in the near future.

We have seen the courts adapt, slowly in some jurisdictions, to workplace restrictions

post-pandemic. Most courts were backlogged before the shutdowns. Now, with an accelerated appetite to clear logjams, one hopes that the arguments do not fail to get the appropriate attention they deserve. While Zoom, Microsoft Teams, and the like make appearances in a virtual world possible, something is ultimately lost by not being in person. We should be vigilant in recognizing hot spots or matters that may negatively impact everyone.

Finally, adapting to this new business plan should mean moving away from “vendorships” and instead toward “partnerships.” While technology has accelerated the way we conduct business, the downside is losing the personal touch. I can remember in years past a true focus to vet process and strategy in something other than an email. Somewhere along the line, we have become disconnected with our strategic partners, making it feel more assembly-line as opposed to being personally vested to the best possible outcome.

Engaging in partnerships with vendors that share your vision and corporate values will enhance both the claims and SIU environment. In this new space, such relationships will require disclosure of abilities and resources. Questions will need to be asked of third parties before executing contracts. What is your remote workforce capability? What data can you capture and deliver back to us? How has the pandemic impacted your business model? Such inquiries will help you choose the right partners to handle your work efficiency in this new space.

While nothing is ever certain, it's accurate to forecast that change is upon our industry post-COVID-19. Those who choose to embrace the revised conditions under which we need to perform will see great success. Others that lag behind and are slow to evolve could see a decreased stream of profit and an increased loss ratio. Only by preparing for the future can we build upon our past.



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