AI-POWERED CLAIMS HANDLING AT NORDEA LIFE & PENSIONS

VIDEO TRANSCRIPT

Hans Kristian Aas, Nordic FutureTech Lead, Accenture: As the leading bank in the Nordics, Nordea is embracing new technology to reinvent the customer experience. A perfect example of this is the new, AI-powered automated process for disability claims.

Vibeke Siljan Krohn, COO, Nordea Life & Pensions, Norway: One of the first questions I asked when I joined Nordea as COO a year back was, "Is it okay for our customers that we spend 75 days on average to handle their disability claims?" Although it's actually on par with the industry, I struggled to accept these long handling times because as a life insurance company, we meet our customers at their most vulnerable; situations where they really need us to step up.

So instead of trying to automate the as-is process, we took a more customer-oriented, and perhaps a more radical approach, formulating our challenge to be, could we as a life insurance design a process that could give instant payout to our customers.

Narrator: The AI-powered claims process combines business rules with machine learning to segment the cases into three different categories, based on risk and complexity.

Green cases are automatically sent through to straight-through processing.

Yellow cases require some additional assessments.

While red cases are prioritized for manual handling.

Vibeke Siljan Krohn: What made the claims handling process difficult to automate was that the data required is highly unstructured and complex. It comes from various sources and the original process was heavily relying on human judgement. For these reasons, our analysis show that we could only optimize perhaps five percent of the original process utilizing more traditional automation technologies. And obviously from a business sense, that's not sufficient.

Narrator: Together with Accenture, Nordea has built a solution that applies several types of advanced AI technologies to automate the claims handling process. It uses computer vision to read letters and convert them to text data, text analytics to extract the relevant pieces of information, machine learning to segment the cases and detect fraud, and RPA to update data across different systems and initiate the payments.

Vibeke Siljan Krohn: By applying a holistic toolkit with a range of different AI technologies, we have built a solution that drastically reduced waiting time for customers. We're thrilled to be able to exceed the expectations of our customers and, while at the same time, operating smarter and more efficient.

Fredrik Viksberg, Head of Process and AI, Nordea Life & Pensions Group: In the project, we have taken an Agile approach, a way that we have started small. At the same time, we have built a reusable solution that

can be scaled quickly across the Nordea Life and Pensions Group.

Vibeke Siljan Krohn: Once this model is fully trained and optimized, we expect two-thirds of all complex cases to be handled automatically, meaning that we will realize benefits corresponding to fifty percent of our existing capacity. Being truly data-driven in our process improvement is also a tremendous benefit that opens up a range of business opportunities