Virtual Claims Handling is the process by which a customer or vendor captures damage via photos or streaming video, then uploads those images to their insurer, where an adjuster conducts the assessment remotely. No insurance employee conducts a physical on-site inspection of the vehicle or property.

According to LexisNexis, 38% of insurers now utilize Virtual Claims Handling, resulting in cycle times of 2 to 3 days as compared to 10 to 15 days for those using traditional methods. In addition to delivering a superior claims customer experience with significantly reduced touch points, insurers using Virtual Claims Handling also see a reduction in the expenses associated with investigating and settling those claims; also referred to Loss Adjustment Expense (LAE). Given the success of Virtual Claims Handling, the majority of these insurers (67%) say that they are considering or open to the idea of a completely touchless claims process.

Virtual Claims Handling provides insurers with three key benefits:

1. Decreased cycle times and increased processing speed
2. Decreased Loss Adjustment Expenses (LAE) and the ability to reallocate human resources to more complex claims
3. A more seamless customer experience and increased satisfaction

There are several factors putting pressure on the way insurers handle claims:

- increasing claims frequency and severity
- an aging workforce creating a talent crisis within the industry
- pressure to reduce LAE

At the same time, customers are looking to save time and desire an easier, more convenient claims process. But as claims frequency and severity increase, and the workforce continues to decrease, how will insurers scale to meet the need?

To meet the needs of today’s demanding claims processing environment, insurers are looking to further leverage the benefits of automation in support of Virtual Claims Handling, which requires less insurance employee involvement.

Insurers know that continuing to allocate more employees to Virtual Claim Handling initiatives or traditional methods of estimating is neither cost effective nor scalable. But, imagine a technology that can see everything a human claim handler can see, but with much more detail and thousands of times faster?

Visual based Artificial Intelligence is now available to help insurers realize the full benefits Virtual Claims Handling.
This year, the number of mobile phone users globally is expected to surpass 5 billion, approximately 67% of the world’s population. Meanwhile, Facebook now stores over 250 billion photographs with users uploading over 350 million new photographs daily. And, 300 hours of video are uploaded to YouTube every minute.

Visual based AI has opened a myriad of opportunities for insurers to take advantage of customer preferences for using their mobile phones. From providing insurance quotes based on images of drivers licenses and vehicle VIN numbers, to facial recognition for authentication, insurers are quickly seeing real value, and Virtual Claims Handling is an extension of that evolution.

Virtual Claims Handling can now help insurers identify the make, model, year, and even the factory color of the vehicles involved in an accident. It can determine the drivability of a vehicle after an accident and the extent of damage sustained. It can even be used to order parts before the vehicle even arrives at the repair shop.

Photographs and videos can not only be used to conduct damage estimates, but also to determine weather and road conditions, and even help to determine fault. Drones can be leveraged for property claims in order to identify flood plains, assess agricultural insurance claims, determine roof damage from hail storms, and other risks from hurricanes, tornadoes, and wildfires all based on automated visual analysis.

With Virtual Claims Handling, insurers can now remove the repair shop as the sole source for estimating damage and repair costs which often lead to conflicts and settlement delays. It can replace the slow and subjective nature of human based estimating with consistent outcomes based on comparisons of hundreds if not thousands of images of similar damage to similar vehicles. All done at speeds not possible without the introduction of technology. The end result is more accurate estimates, fewer touch points, and lower cost for the insurer, while delivering faster settlements, and a superior claims experience to the insured.

What if you could reduce your claims cycle times by 80% and reduce touchpoints by 50%?

Virtual Claims handling is a reality that is helping to:

- Tell a story of how the accident happened
- Provide clear and graphic proof of damage and injuries
- Helping jog memories that can be used to reconstruct the accident scene
- Reveal both obvious and subtle evidence that may have been forgotten
- Provide proof of the other drivers liability