AXA's claims in the cloud

Building cutting-edge AWS
insurance capabilities

Industry-leading automation

In the highly competitive property and casualty insurance sector, exceptional service and efficient, cost-effective claims-processing capabilities set leaders apart. Digital technologies—and, specifically, cloud platforms—are increasingly recognized as critical enablers of a world-class claim's organization. In fact, more than two-thirds of insurers have assessed how they can move their legacy apps, including claims, to the cloud.

Yet, most insurance providers are still hesitant to make the move. Strict regulations, perceived security threats, and the burden of legacy claims systems are some of the deterring factors. For AXA, the largest insurer in the Belgian market, the potential benefits of a cloud migration outweighed the risks. In fact, the company saw moving its claims function to the cloud as a fundamental element of its strategic growth plan, which focused on, among other things, simplifying the customer experience and accelerating operating efficiencies.

AXA Belgium's decision to transform its claims experience dates back to 2015. At the time, claims processing was a highly manual affair, orchestrated through a legacy mainframe application that was not future-proof. Claims agents were tasked with recording customer and vendor claims information into multiple mainframe apps and hundreds of tables. With a limited number of agents and brokers, and some 300,000 claims to process annually, claims processing and First Notice of Loss (FNOL) filings were taking longer than AXA would have liked. To improve its claims capabilities, AXA made the decision to implement—with Accenture's help—the Guidewire ClaimCenter claims management system. This industry-leading package application, which automates end-to-end claims-related workflows, significantly boosted the company's claims performance.

Building on the success of its Guidewire implementation, AXA teamed with Accenture to explore how it could take optimal advantage of the new claims system and, at the same time, pursue its digital vision. Accenture was uniquely qualified to help. In addition to having unmatched technical and cloud skills, Accenture had deep change management and consulting expertise, which would be critical in helping AXA prepare its organization and workforce for claims handling in a digital world.

Digital vision comes to life

AXA and Accenture developed a digital vision and roadmap for a re-imagined claims function. Guidewire ClaimCenter was the centerpiece. Together, the AXA and Accenture team rolled out the new system in a phased approach, starting with civil liability, followed by the motor and property lines of business.

As AXA and Accenture were managing the Guidewire implementation, the insurer began contemplating the potential value of migrating its new claims system to the public cloud. The company believed such a move would not only enable even more automation of time-consuming manual claims tasks, but also allow the company to scale its claims capabilities up and down as conditions warranted. Most importantly, AXA was confident that a public cloud platform would deliver greater agility and cost controls, which, in turn, would enable AXA to pursue new opportunities to better meet the needs of its brokers, agents, service providers and 1.3 million customers.

AXA and Accenture co-evaluated the public cloud options to identify the target architecture that would best meet AXA's needs. Ultimately, AXA decided that Amazon Web Services (AWS) offered the best business transformation fit, service quality and cost. In preparing to migrate the Guidewire system to AWS, the team first upgraded the ClaimCenter software package to ensure AXA would have the latest built-in functionality available. The team also built a tailored direct support function, with easy-to-understand instructions, as well as advanced help features directly into the Guidewire app. Training materials were developed to help claims handlers adjust to the new environment and make the most of the new Guidewire and cloud features.

In conjunction with the rollout, AXA teamed with Accenture to add new valuable features and automated workflows to its claims capabilities. Some of the most innovative additions were a set of digital self-service portals for motor and property claims declarations.

Built by Accenture Technology and Financial Services experts, these cloud-based portals are custom layers on top of (and fully integrated with) Guidewire. They use artificial intelligence (AI) to automatically classify documents (including police reports) and extract structured and unstructured claims-related data, including handwritten European Accident Forms. Critically, they also continually aggregate updated customer, broker, policy, claims, and vehicle/property data from multiple data sources (spread across hundreds of tables). As a result, automated and accurate calculations of liability and deductibles are available in the blink of an eye. Additionally, the AXA and Accenture team developed an e-tracking portal, which allows all parties to quickly confirm coverage, review payment amounts, or follow up on or update a claim.

The transition of the new civil liability, motor and property claims capabilities to the AWS architecture—which comprised 14 environments, 15 claims-related applications, more than 50 batch pipelines, and more than 20 operational dashboards—was expected to take 12 months. But AXA and Accenture completed the AWS set up and migration in just nine. The speed with which the project was completed was due to the tightly coordinated and collaborative approach taken by AXA and Accenture, as well as the team's use of Accenture assets and accelerators specifically designed to keep such transformations moving forward at a steady clip.

Next-generation claims capability

AXA's digital claims transformation program has created a new and highly responsive claims experience for customers. New client-centric innovations make the claims-handling process seamless and convenient. The self-service portals, for example, have not only streamlined customer and broker services with AI and automation, but also helped AXA accelerate its First Notice of Loss (FNOL) claims filings. Customers can now confirm coverage and see their settlements in seconds—not days.

Automated features and more than 100 intuitive application programming interfaces (APIs) in production also translate into faster claims registration and settlement times. More than 40% of all claims are now declared via the digital FNOL channel, which is accessible to customers, brokers and fleet service providers, alike. Coverage limits, deductibles and repair service confirmations, and even accident liability are visible almost immediately. In more than 90% of all cases, coverage and insurer intervention is confirmed to the client within four hours, and 40% of those confirmations are issued instantly, with no handler intervention. Additionally, 20% of the full claims volume is now handled via straight-through-processing (STP). Loss ratios have been kept under control by improving both the fraud detection rate and the recovery rate by 2%. In addition to improved customer service, the new cloud environment has introduced a new level of agility and cost transparency. The IT organization can now calculate the cost of claims from end to end—something that was not possible in the legacy fixed-cost environment. With this heightened visibility, AXA can better manage its liabilities and make better decisions on a variety of issues—from how to further improve customer service to how to better manage its carbon footprint.

Speed is also a critical benefit of the new digital solution. AXA can provision new computing environments, as needed, in just minutes, not months. IT capacity now meets IT demand. Further, applications running in the dynamic cloud environment can automatically discover and recognize others' respective APIs—all of which are documented, created as code, and enforced by contract. In all these ways, AXA and Accenture have created a next-generation claims capability—one that better meets customers' needs and better supports AXA's vision for growth.