PredictiveClaims™

Reduce claim handling costs and increase customer satisfaction

Improve performance and reduce fraud

From the first notice of loss, your ability to resolve a legitimate claim quickly is critical to containing costs and keeping your customers satisfied. Good customer service—particularly in the competitive insurance market—can be critical to acquiring new customers and keeping the ones you have.

When up to 20 percent of your company's expenses may be related to handling claims, reducing those expenses can have a significant, positive affect on your company performance. PredictiveClaims from SPSS Inc. enables you to reduce claim cycle times and handling costs—and increase customer satisfaction—with automated, real-time assessment of claim risk.

PredictiveClaims instantly determines which claims qualify for immediate or fast-track approval, and flags suspicious claims for follow up. You'll improve the productivity and accuracy of your entire claim handling process—from first notification of loss to settlement—regardless of how claims are submitted (for example, via telephone, fax, mail, the Internet, or in person). The results? Fewer claim handling expenses, more satisfied customers, and improved detection of fraudulent claims.

PredictiveClaims enables your company to:

- Approve legitimate claims quickly, even with very high claim volumes
- Gather vital claim information by providing automatically generated, intelligent questions
- Understand why claims are flagged, so your Special Investigation Unit (SIU) knows what areas to focus on with current claims and what to look for when investigating future claims
- Extract critical information from field notes and other sources of textual claims information, and combine it with traditional claims data
- Automatically detect new forms of fraud with analytics that "learn" from the data
- Integrate with your existing claims management system without extensive customization or lengthy implementation

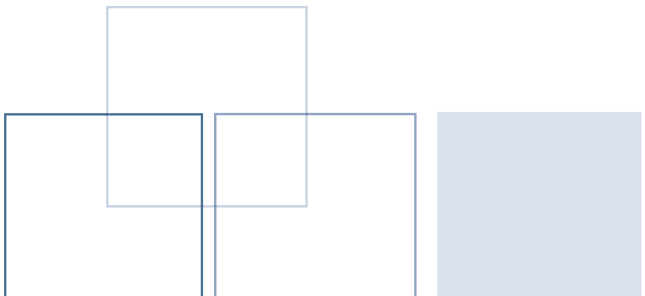
Analyze claims quickly with predictive analytics

PredictiveClaims integrates directly with your existing claims management system. When new claims enter your system—from any channel—they are immediately analyzed against risk profiles and external fraud databases, and either approved for processing or flagged for investigation.

Claim handlers can gather important new information from customers using intelligent scripting capabilities that prompt for specific information related to the claim. PredictiveClaims automatically generates "smart" questions that prompt the agent to ask for information that can confirm fraudulent activity.

And you can analyze textual claim data, such as accident descriptions, for other indicators of fraudulent behavior. When up to 80 percent of a company's data is in a textual format, the ability to automatically extract this information and use it in claim risk assessment is critical.

PredictiveClaims' analytics incorporate both your organization's business rules and rules based on industry best practices, and add the critical ability to adapt to new information and detect new forms of fraud. As criminals adapt their activities to new circumstances, PredictiveClaims enables you to continuously track claims to detect these new types of fraud as soon as they appear.



Reduce costs with fast-track processing

A major insurer with several million customers handles hundreds of thousands of claims annually through its call center. Using PredictiveClaims to combine risk profiles with business rules—such as claim value guidelines—the company is able to resolve most legitimate claims in just one phone call, while increasing the percentage of fraudulent claims detected at an early stage. As a result, the company has reduced claim handling costs by 30 percent—an annual savings of several million dollars. At the same time, the company has improved customer service and satisfaction by resolving legitimate claims in less time.

By incorporating these predictive analytic capabilities into your claim handling process, you resolve legitimate claims quickly and refer suspicious claims to the SIU for follow up while critical claim information is still fresh. PredictiveClaims provides an explanation for why each claim is flagged, so the SIU has a clear starting point for investigations.

Improve satisfaction and reduce costs

Your relationship with your customers is tested most at their times of need. If you are not able to resolve legitimate claims quickly, customer frustration increases as fast as your loss adjustment expenses. In some cases, customers may take advantage of the delay to increase the amount of their claims, or may even decide to pursue litigation against your company.

Fast-track approval, on the other hand, not only reduces costly processing steps, but also reduces customer frustration—and the volume of calls and visits from customers. By streamlining the claim handling process with PredictiveClaims—without simplifying it to the point that fraudulent claims slip through the cracks—you meet your customers' needs when they need you most, and keep your costs down.

You also reduce costs, and make better use of skilled investigators, by enabling your SIU to focus only on high-value claims that have been flagged as suspicious. Fraud data uncovered during these investigations is then entered back into your claims management system, to further refine the automated assessment process.

Reduce fraud with multi-stage assessment

PredictiveClaims makes assessments at several stages in the claim handling process, in order to evaluate claims based on the most up-to-date information. For example, a claim may be checked at first notice of loss, when the names of all involved parties are entered, and prior to payment of the claim. This ensures that your settlement decision takes into account all of the information available for a particular claim. In fact, PredictiveClaims' multi-stage assessment process enabled one customer to improve the performance of its fraud detection system by 25 percent.

Gain more value from existing systems

SPSS Inc. predictive analytic applications work with the systems you already have—including legacy systems—without requiring extensive customization. Our commitment to open, standards-based architecture enables your organization to achieve critical goals without extensive infrastructure investments or lengthy implementation periods. In fact, most customers are able to achieve results from PredictiveClaims in just a few months. SPSS provides a fraud assessment knowledge base and technical and business support services to ensure a seamless implementation and your long-term success.

Manage risk with intelligent marketing

Your company can further reduce fraud by using predictive analytics to market to the right prospects. The SPSS predictive analytics family includes PredictiveMarketing™, an application that enables business users to develop targeted outbound marketing campaigns. When you incorporate PredictiveClaims' fraud profiles into your marketing analysis, you discover which prospects present the greatest potential risk and which offer the greatest potential value. By focusing your marketing efforts only on high-value, low-risk prospects, you reduce both marketing costs and the potential for later fraud.

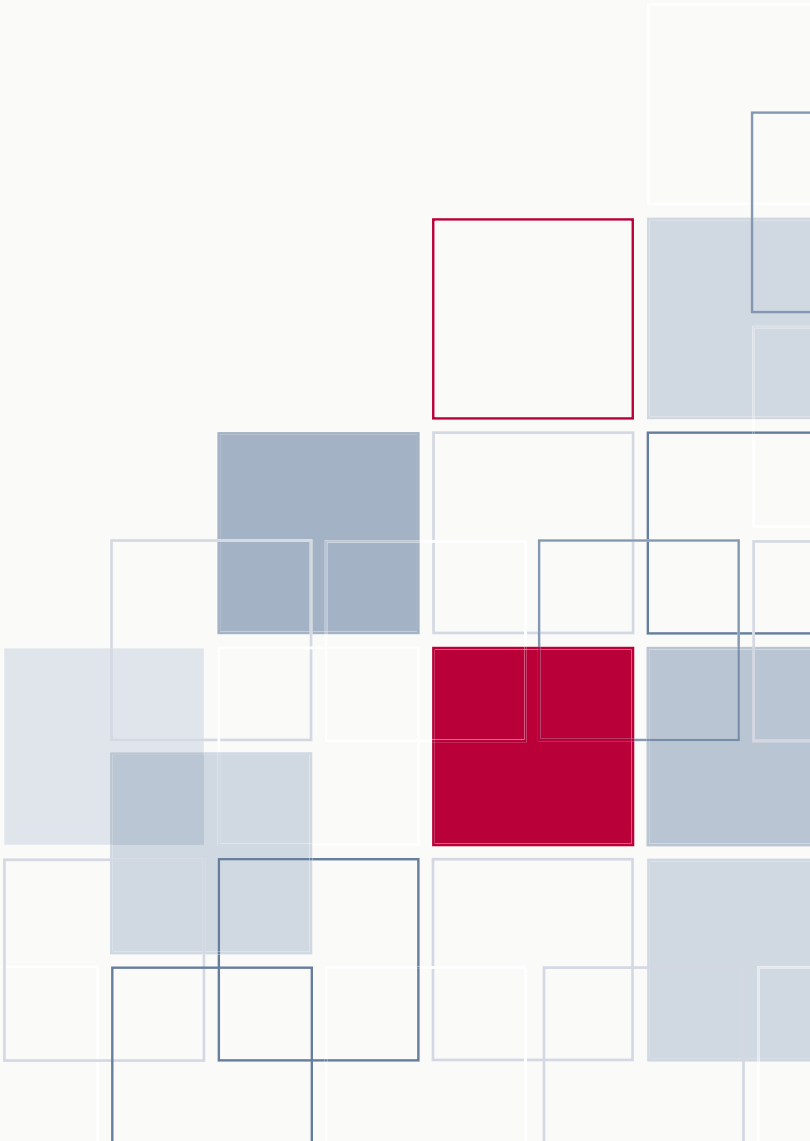
SPSS can also help you increase the value of existing customers by turning inbound customer service calls into sales opportunities. PredictiveCallCenter™ offers real-time recommendations that take into account all of the data available for a given customer, including information entered during the call itself. Cross-sell and retention offers are made only to those customers who are most likely to accept, ensuring satisfied customers and new revenue from what is traditionally a cost center.

Together, PredictiveClaims, PredictiveMarketing, and PredictiveCallCenter enable you to reduce fraud while improving your marketing and sales efforts.

To learn more about PredictiveClaims and other SPSS predictive analytic applications, visit **www.spss.com** or contact an SPSS sales representative today.

Detect fraud earlier

The underwriter for one of Portugal's largest banks wanted to reduce investigations of legitimate claims and detect new forms of fraud more quickly. Using PredictiveClaims, the company discovered that certain claim types are rarely fraudulent, and used that information to refine its legacy fraud detection system. In addition, the company used the information PredictiveClaims gathered about fraudulent claims to develop an early warning detection system for new types of fraud. In the future, the company plans to use PredictiveClaims to assess the risk of new insurance applicants, helping to improve the quality of its customer portfolio.



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