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The power and potential of AI in insurance claims

Githesh Ramamurthy, chairman and CEO of CCC Information Services, shares his views on the future of claims.

CCC Information Services provides technology solutions and services for the automotive, insurance, and collision-repair industries. It helps insurers, for instance, improve and simplify claim processes through telematics and artificial intelligence (AI). Githesh Ramamurthy joined CCC in 1992 as its chief technology officer, becoming its president just five years later. He has been CCC's chairman and CEO since 2000.

In the future, will people need to file any claims at all?

[A question I get asked all the time is,] What happens in a world where there are no accidents or there are no claims? In terms of the increase in vehicle miles traveled and density of vehicles on the road, we've not seen any significant change [in the number of claims].

But we live in a mixed, multimodal world where some cars have different levels of autonomy. So in that world, we think frequency of claims may start to come down. But the cost of repair, we think, will continue to increase. That has to do with the complexity of the vehicle and the amount of electronics in the vehicle.

The evolving role of the claim agent

None of us can predict exactly what 2030 is going to look like, but we know what we can do to prepare. That means being on a purely digital platform, a platform that is mobile first, a platform that has deep connectivity to real-time data from the cars. We think the quality of the data will continue to get dramatically better.

When the claim starts to take place, we believe a massive amount of this will be aided by AI. Where the human is going to be involved is where they're providing emotional support to the customers in a highly traumatic situation. If we can free up talent to be able to deal with those high-impact areas— meaning the agent, the insurance adjuster, all the people that deal with the consumer—we could provide a very high-touch experience, so that we free them up from all the mundane paperwork and all of these activities. That is really what we're building toward.

How CCC is future-proofing
When you look at our company, what are we doing to future-proof ourselves and actually to be able to lead our customers? Well, 20 years ago, we built our web platform. Ten years ago, we built our mobile platform. Five years ago, we invested very heavily in AI.

We have dozens of PhDs in AI, machine learning, physics—all kinds of disciplines. But AI by itself is worthless unless you can surgically improve the way an adjuster or a claim manager or a car company can deal with their customers. We have 75 different AI models running today. We have another 250 different models in the pipeline, and we're building them faster and faster to solve very specific problems but in the context of an overall solution.

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