



AI in Insurance

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AI will reinvent every industry

Especially those that are highly automated
and knowledge/data centric,

like Insurance

We always **overestimate** the change that will occur in the next **two** years

and **underestimate** the change that will occur in the next **ten**

Don't let yourself be lulled into inaction.

Bill Gates



Agenda

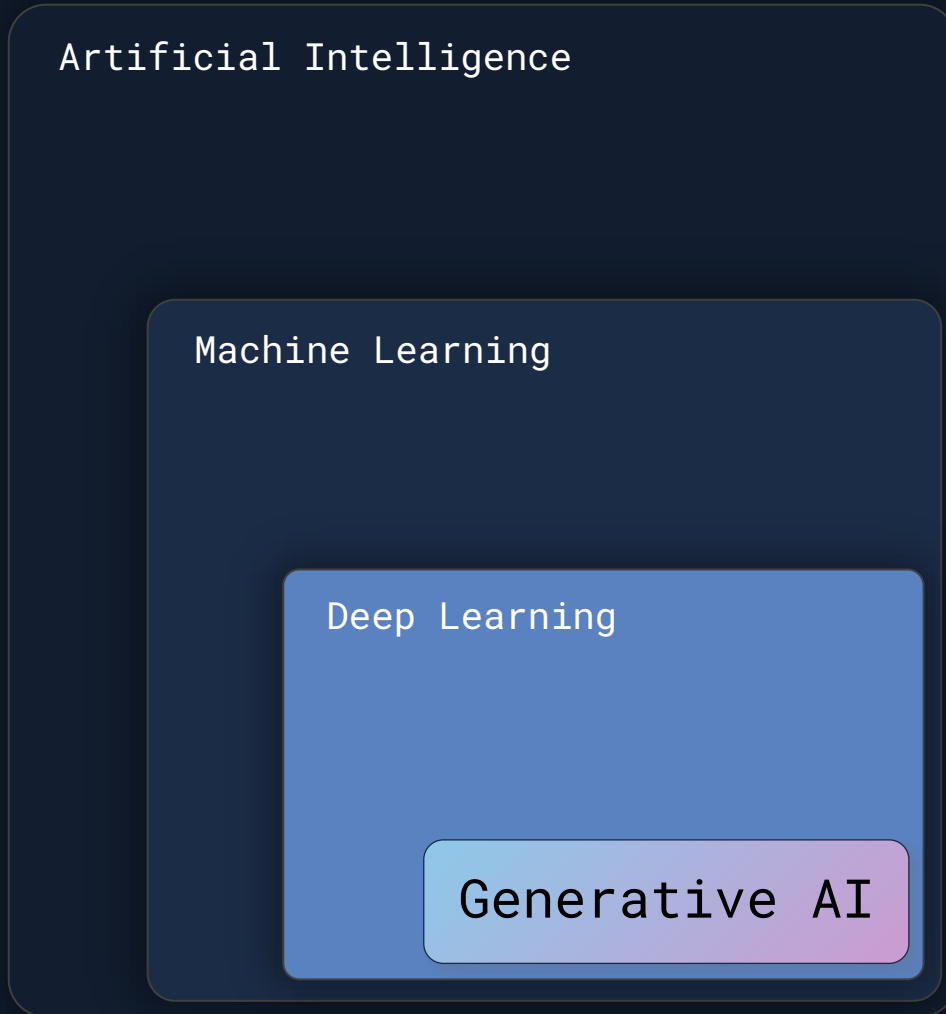
Intro

What is AI?

How will it impact Insurance (and you)

How you can be successful

Brief history of AI



Artificial Intelligence

The field of computer science that seeks to create intelligent machines that can replicate or exceed human intelligence



Machine Learning

Subset of AI that enables machines to learn from existing data and improve upon that data to make decisions or predictions



Deep Learning

A machine learning technique in which layers of neural networks are used to process data and make decisions



Generative AI

Create new written, visual, and auditory content given prompts or existing data

Traditional AI



Simple model

Purpose-built
for one use

“Narrow”

Benefits from a well-organized data
environment

Next generation / Gen AI



Massive model

Generalized intelligence
with many applications

“Generalized”

Not always reliant on a mature data
environment to start exploiting

GPT4 o

GPT-3 (4)

Generate and Understand Text

Prompt:

Write a tagline for an ice cream shop.

Response:

We serve up smiles with every scoop!

Codex

Generate and Understand Code

Prompt:

```
Table customers,
columns = [CustomerId,
FirstName, LastName,
Company, Address,
State, Country,
PostalCode]
```

Create a SQL query to get all customers in the state of California named Jane.

Response:

```
SELECT *
FROM customers
WHERE State = 'California'
AND FirstName = 'Jane'
```

DALL·E

Generate Images from text prompts

Prompt:

a painting of a fox sitting in a field at sunrise in the style of Vincent van Gogh

Response:



ChatGPT

Chat Bot, Avatar, Contact Center Reply

What is the fastest animal on land?

the cheetah (*Acinonyx jubatus*), which can reach speeds of up to 60 miles (97 kilometers) per hour.

What makes them so fast?

Cheetahs are built for speed and have several adaptations that make them the fastest land animal: lean body, long legs, flexible spine, large nostrils and claws that don't retract.

TEXT AUDIO
IMAGES VIDEO

AI Capabilities are coming to you in various shapes and forms

Built in (Copilot)

Built into products and apps:-

- Everyday devices (phone, car,)
- Search engines
- Tools: Word – Excel – Powerpoint
- Business Apps

Smarter and easier to use

Help to generate content and actions

Bing

Dynamics

Build Your Own (BYO)

Built specifically for organizations:-

- Finding/analyzing information
- Generating content, letters, offers
- Customer email Intake and triage
- Business Apps for sales and services

Automating the mundane and tedious

Help to become productive/effective

AI as your personal assistant

Look at AI as your personal smart assistant

- The better and more detailed the instruction, the better the results
- Smart, but does not have your professional experience
- AI is only as good as the data it references
- Adoption is a culture change
- application requires an ethical framework

Helps with the boring stuff so you can be better

But requires training, supervision and validation



DALL-E: An office environment with an agent and a graduate of different ethnic backgrounds

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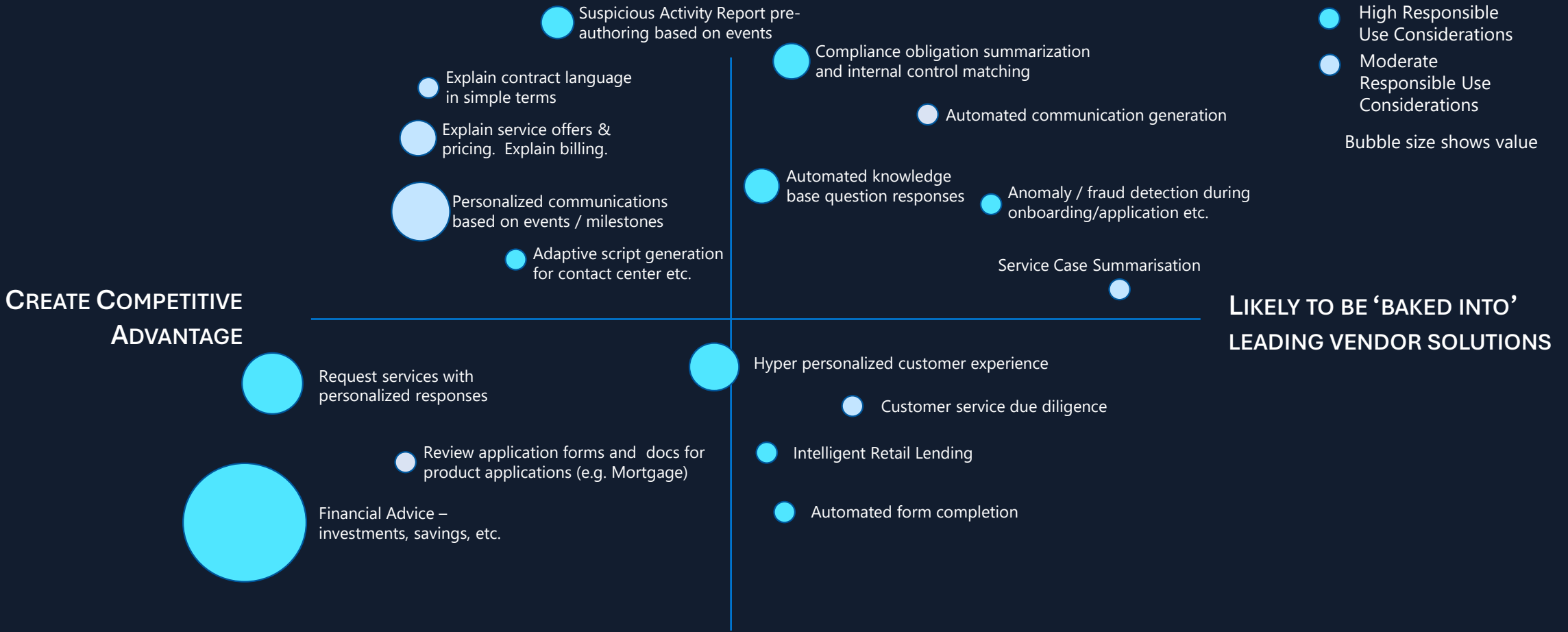
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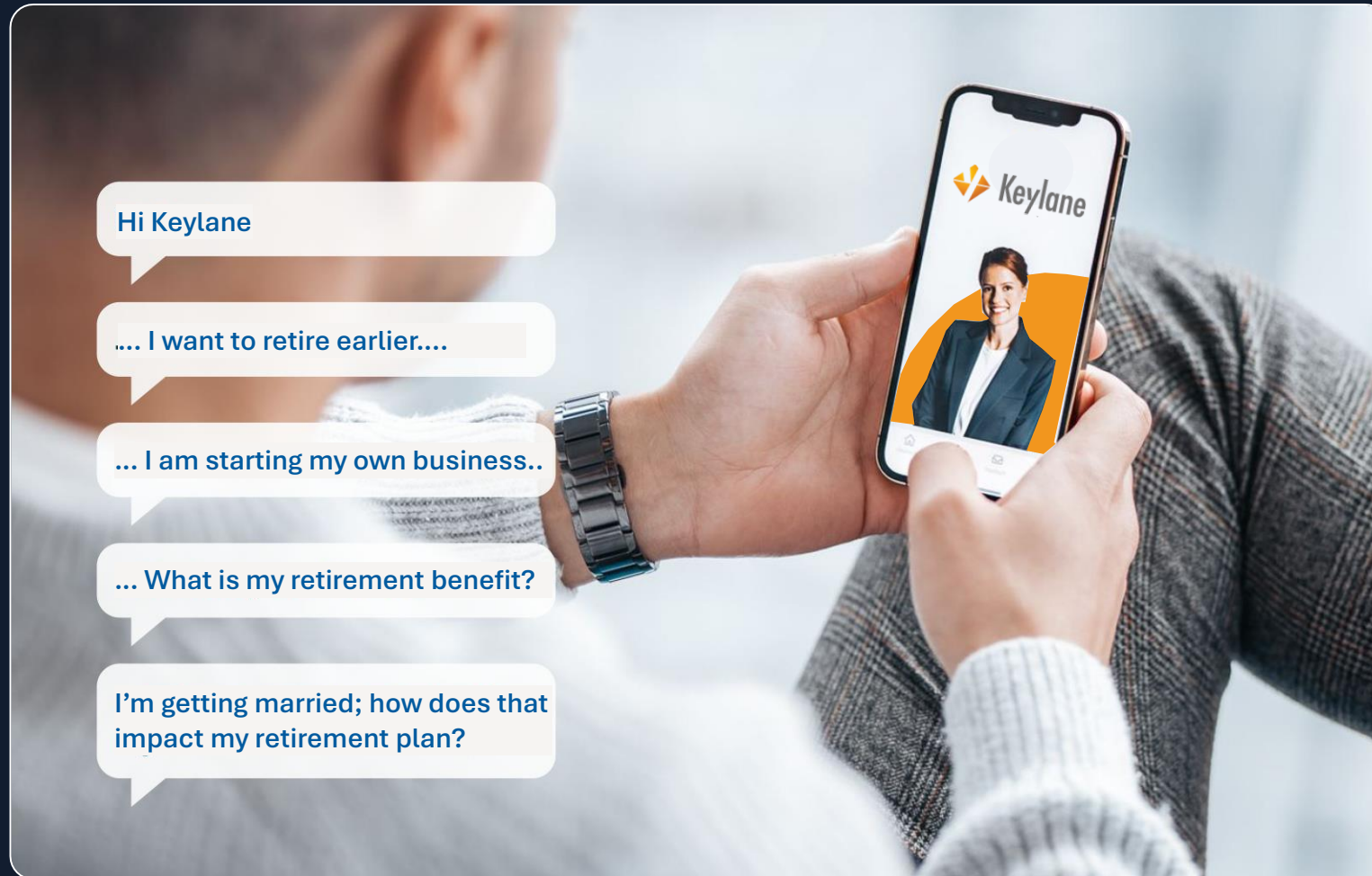
Gen AI Use Cases Being Considered Today

EMPLOYEE EXPERIENCE - PRODUCTIVITY



Potentially higher risk / deployment complexity

Evolution to more human-like and interactive conversation



The impact of GenAI on Customer Experience

Possible ways to leverage AI for Agents

Contact centers

BETTER CONVERSATIONS

- Assist to search relevant info based on conversation
- Suggest additional options/cross sell
- Summarize calls
- Draft follow-up messages
- Distill action points

More focus on conversation.
Less administrative burden
Faster follow-up

Client Visits

PREPARATION AND FOLLOW-UP

- Get up-to-date report on client interactions
- Suggestions for cross/upsell
- Verbal summary of meeting and follow-up actions
- Draft follow-up messages

Personalized and focused conversation, less burdensome and faster follow-up

Underwriting

PERSONALIZED OFFERS

- Consistent and relevant access to contextual, historic and policy data
- Support preparation of personalized offers
- Support adequate follow-up
- More conversational interaction

Faster, personalized response.
Lower initial lapse rates.
Better risk management

Claims

BETTER CONVERSATIONS

- Automated intake and initial analysis
- Fast turn around time and personalized response
- Improved Fraud detection through consistency checks

Faster response, better triage of high value customers vs

Manulife / John Hancock



- Canada's largest Insurer (est. 1887)
- Active in North America and Asia
- 30 mln clients
- 38,000 employees
- 119,000 agents
- C\$ 1.2 trn Assets Under Management
- Fully embarked on AI since 2016, with over 100 models deployed
- Developing GenAI at scale:
 - 240 use cases identified
 - 7 in full production
 - 16 under development



Manulife sample use cases



- ChatMFC:
 - Summarize Call Transcripts
 - Determine trending topics faster
- ChatAnnuity:
 - Look-up complex contract data
 - Showing source and confidence level
 - Faster response and faster onboarding
- Manulife 365: Sales Agent Copilot:
 - Generate leads based on client profile
 - Generate mail/chat, tailor tone and language

The screenshot displays the ChatAnnuity interface. At the top, the 'ChatAnnuity' logo is on the left and the 'Manulife' logo is on the right. The main area is divided into three sections: 'Question', 'Optional Inputs', and 'Response'. The 'Question' section contains a text input field. The 'Optional Inputs' section includes a radio button to select between 'Enter policy number' (selected) and 'Enter Policy category and name'. Below this, there is a 'Policy number' input field with the value '2779806' and an 'Output format' dropdown menu set to 'In bullets'. There are 'Get answer' and 'Refresh page' buttons. The 'Response' section shows the answer to the question, starting with 'rider:'. It includes a list of bullet points under 'product:' and a 'Confidence' bar showing '5 out of 5'. Below the response, there is a 'Click to see references' section with 'Workbench Sources' and 'Knowledge Sources' tabs. Several source links are listed, including 'Source 1: IPFL 6.11 - Income Plus For Life - 6.11 (5.6).pdf (page 2)', 'Source 2: IPFL 6.11 - Income Plus For Life - 6.11 (5.6).pdf (page 3)', 'Source 3: IPFL 6.11 - Income Plus For Life - 6.11 (5.6).pdf (page 4)', 'Source 4: Venture 7 Series.pdf (page 1)', and 'Source 5: Venture 7 Series (VRDNI) Wednesday, August 24, 2022 3:27 PM Availability Provides guaranteed income through annuitization or the optional Income Plus for Life Rider. For distribution channel information prior to 12/16, view the Product Availability by Firm'.

Swiss Re Life Guide



- **Swiss Re Life Guide:**
 - Life & Health underwriting manual
 - Combining Medical and Actuarial knowledge
 - 23 million hits per year, users from 100 countries
- **Life Guide Scout :**
 - GenAI underwriting assistant
 - To increase efficiency and quality of underwriting
 - Generates answers from curated expert knowledge
 - With source text for reference
 - Queries by the underwriter in natural language



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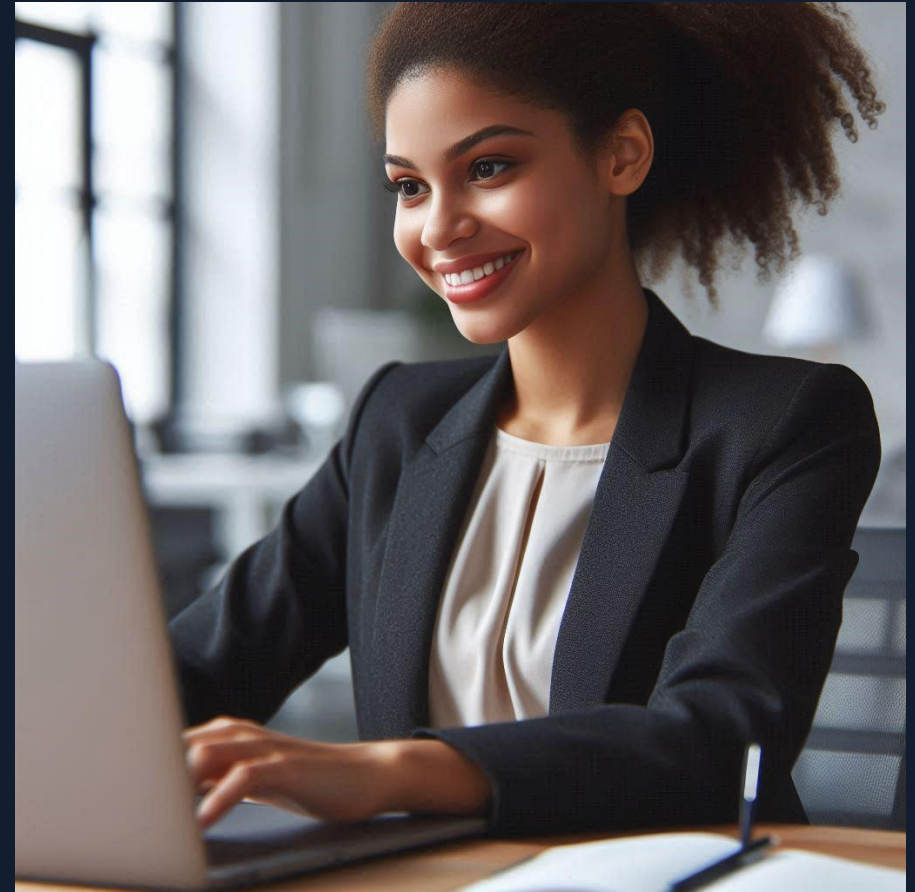
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How you can be successful!

- AI is a game changer, but not before the end of the month
- Think big, start small:
 - This will ultimately be infused in every process
 - Start with the obvious use cases and
 - Build your knowledge and capabilities and focus on where it brings competitive advantage
 - Organize to scale-up
- Get your data estate in order
- The adoption of AI involves a culture change Pro-active adoption and change management



A successful office worker who mastered and embraced new technologies



Thank You !

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