



Commercial P&C Insurers Guide to Solving the Underwriting Bottleneck

How AI-Powered Data Extraction Technology is Being Used to Solve 3 of the Biggest Challenges in Underwriting



Table of Contents

<u>I. Triaging Submissions to Find Profitable New Business Opportunities</u>	
• How One P&C Insurer Turned Small Savings into Big Gains	4
• Self-Assessment Questions	
<hr/>	
<u>II. Increasing Underwriting Capacity</u>	
• Specialty Insurer Generates a 5x Productivity Boost in Underwriting	6
• Self-Assessment Questions	
<hr/>	
<u>III. Training and Retaining Staff</u>	
• TAI Empowers Staff to Spend More Time on Higher Value Activities	8
• Self-Assessment Questions	
<hr/>	
<u>IV. The Cost of Conducting Business As Usual</u>	10
<hr/>	
<u>V. 3 Steps Your Organization Can Take to Remain Competitive</u>	10
<hr/>	
<u>VI. Conclusion</u>	10
<hr/>	
<u>VII. About</u>	11
<hr/>	
<u>VIII. Sources</u>	11
<hr/>	



– Boston Consulting Group

“The insurance companies that lead in the digital era won’t replace humans. Instead, insurance leaders will intertwine technology, people, and processes.”

Data is the lifeblood of Commercial P&C insurance, and for underwriters, it plays a vital role in determining what actions they need to take next.

Unless your underwriting workflows are fully digitized, there’s a good chance your underwriters spend 40% of their time on repetitive activities such as data extraction and rekeying data.

This is where the power of AI technologies can help. SortSpoke, for example, combines powerful AI models + humans in the loop to extract data from your unstructured documents (with 100% accuracy) in a *scalable* and *consistent* way.

We’ve helped 25+ carriers, MGAs, and service providers implement SortSpoke into their underwriting workflows, and now we’d like to share these experiences with you.

Who is This Guide For

If you’re a Commercial P&C insurer and parts of your underwriting cycle involve data extraction and rekeying data, this guide is for you. The goal of this guide is to help Commercial P&C carriers evaluate their current workflows, open dialogue between teams, or identify opportunities for improvement.

For example, a few months ago, we met with a P&C insurer and their two underwriting teams. After asking them some of the self-assessment questions from this guide, they quickly discovered ***each team processed new submissions differently!***

To help you avoid a similar situation, we suggest answering the self-assessment questions at the conclusion of the following sections:

- Triaging Submissions to Find Profitable Business Opportunities
- Increasing Underwriting Capacity
- Training and Retaining Staff with AI

– Brandon Robinson, Director of Customer Success, SortSpoke



“Before SortSpoke, a North American Commercial insurer spent 5 – 7 minutes pulling and rekeying data on all of their new business submissions. After implementing SortSpoke, ***they reduced the submission intake workflow to less than 1 minute for a 5x productivity boost.***”



Triaging Submissions to Find Profitable New Business Opportunities

Commercial lines underwriting is not easy, especially finding profitable new business opportunities in your submissions. Based on conversations with our Commercial P&C customers, they can get anywhere from 200 – 500 new submissions daily.

Unfortunately, triaging new submissions for underwriters often requires manually opening, reviewing, and extracting information from PDFs, such as:

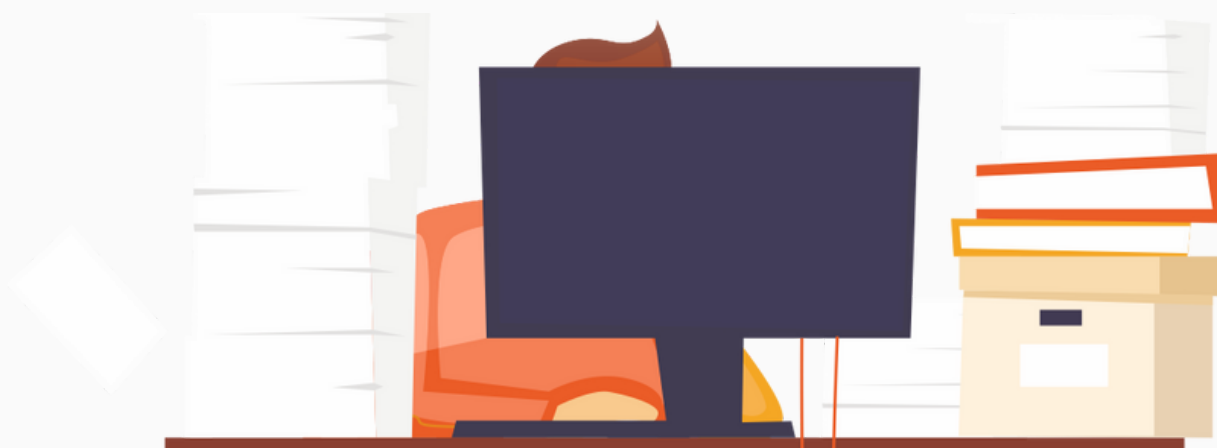
- Supplemental Applications
- Financial Statements
- Statements of Value
- ACORD Forms
- Loss Runs
- And more

These manual and repetitive processes often lead to missed opportunities to quote and bind profitable business because the first carrier that can provide a quote to brokers typically wins the business.

SortSpoke's TriageAI solves this challenge by automating the submission workflow by analyzing and classifying incoming emails and attachments. Triage AI will then score each submission based on your **underwriting guidelines** to prioritize submissions via:

- Identifying on-appetite submissions for priority underwriting
- Declining business that doesn't meet underwriting guidelines
- Identifying incomplete submissions for broker follow-up

By augmenting your underwriting staff with Triage AI, underwriting teams can now prioritize submissions in a **scalable** and **consistent** way to win more new business and avoid wasting time on submissions that don't meet your underwriting guidelines.



How One P&C Insurer Turned Small Savings into Big Gains

Before using SortSpoke, one of our Commercial P&C customers spent **5 - 7 minutes pulling and rekeying data on every new business submission**. After implementing SortSpoke, they reduced the submission intake workflow to **less than 1 minute** for a 5x productivity boost!

Over the course of a day, these small savings add up. For example, if each of your underwriters is saving 3.5 minutes per submission and they process 40 submissions a day, that's *140 minutes saved each day by your underwriters!*

This time savings will allow your underwriters to respond to submissions faster and provide more personalized service to your clients and brokers.

Self-Assessment Questions - [download excel workbook](#)

Every good journey starts with a map. To see if implementing AI technology can solve your submission challenges, we typically ask the following questions to see if they can generate immediate ROI for your organization.

Note: If you answer “Yes” to **two or more questions**, your organization would probably be a good fit for a solution like SortSpoke.

- Are you leaving 20% + submissions unreviewed?
- Is your submission volume expected to increase over the next two years?
- Do your underwriting teams follow the same processes for triaging submissions?
- Does your submission workflow require you to open and review each submission to find on-appetite submissions?
- Are you losing business to your competitors due to slower response times?

- Leading Specialty Insurance Provider

"SortSpoke's learning process didn't really take very long...it only took about 25 to 50 documents. It's only gotten better over time since then, as we've onboarded additional users and therefore, additional documents on a continuous basis."





Increasing Underwriting Capacity

According to Accenture, underwriters spend approximately 40% of their time on non-core and repetitive activities.

In commercial lines underwriting, these activities often include gathering information and extracting data from emails and PDF documents (e.g., applications, loss runs, etc.) to process new submissions and renewals.

SortSpoke can increase your underwriting capacity by combining the power of AI technology + your underwriters to turn highly varied and complex documents into actionable data (with 100% data accuracy).

In as little as a few hours, SortSpoke will automatically identify 80% - 90% of the data fields you need to extract. This time savings will free your underwriters to focus on what they do best, which is assess & price risk.

Specialty Insurer Generates a 5x Productivity Boost in Underwriting

One of the challenges of generating quotes for new business and renewals in P&C commercial lines is that underwriters spend a considerable amount of time manually reviewing and extracting information from financial statements.

For example, underwriters at a leading specialty insurer would spend anywhere from 3 to 8 minutes (sometimes longer) reviewing and rekeying information from financial statements to generate a quote.

In an effort to free up their underwriters from administrative tasks, this leading specialty insurer engaged in a proof of concept with SortSpoke. After implementing SortSpoke into its underwriting workflow, they reduced the time it took to review and pull data from financial statements from 3 - 8 minutes to **45 - 120 seconds per submission.**

In addition, this company also reported it took SortSpoke's AI only 25 – 50 documents to get up to speed. Furthermore, since moving into a production environment with SortSpoke, this specialty insurer reported SortSpoke's models have only gotten better over time as they have added additional users and documents.

SortSpoke's ability to accurately extract data from various types of documentation and adapt to new documentation on the fly (No templates or IT resources required) enabled this insurer to **boost its underwriting productivity by 5X!**

Self-Assessment Questions – [download excel workbook](#)

Every good journey starts with a map. To see if implementing AI technology can solve your underwriting capacity challenges, we typically ask the following questions to see if they can generate immediate ROI for your organization.

Note: If you answer “**Yes**” to **two or more questions**, your organization would probably be a good fit for a solution like SortSpoke.

- Do you have a standard approach for evaluating new submissions to determine who works on them?
- Would you like to capture more data in underwriting to enhance the accuracy of your in-house and third-party models?
- To increase your underwriting capacity are you planning on hiring more people?
- Do you have more submissions than capacity to review?
- Are you losing business or experiencing customer satisfaction issues due to slower response times in underwriting?

– **Brian Wilkinson, COO, TAI**

“SortSpoke brought the right combination of people, processes, and technology. They were easy to work with, and our **productivity increased considerably** with the SortSpoke system.”





Training and Retaining Staff

Replacing institutional knowledge due to staff retirements is one of the biggest issues P&C insurers face. According to The Jacobson Group & Ward Group, 65% of P&C insurance companies added staff from July 2022 – July 2023 alone.

This is why some forward-thinking insurers have implemented AI technology to eliminate non-core activities (e.g., extracting data from unstructured documents) in underwriting to boost staff retention and accelerate employee onboarding.

SortSpoke captures your institutional knowledge by using the feedback of your experienced underwriters to train our AI models on how to read and interpret complex documents. This will allow you to onboard new employees faster because they won't have to learn how to read complex documents from scratch.

In addition, it will also help with employee retention by keeping your employees happy and more productive. In a study published by The Institutes, **60% of Millennials found analyzing risks and recommending ways for companies to overcome them to be appealing.**

TAI Empowers Staff to Spend More Time on Higher Value Activities



TAI is an industry leader in reviewing complex insurance treaties, allowing its customers to effortlessly digitize, store, search, and export key treaty data.

Insurance treaties are some of the most complex and difficult documents to read in the insurance industry. Each treaty alone is hundreds of pages long, and when you factor in 30 – 40 addendums, you're looking at thousands of pages in total.

Before SortSpoke, this work required TAI experts to spend up to 8 hours reviewing each treaty and manually extracting, structuring, and comparing this information to historical data within a customer's admin system.

After implementing SortSpoke into their workflow, TAI *reduced their treaty review process **from 8 hours to 35 minutes***, allowing TAI experts to focus on higher-value activities.

While this example above is from a different line of business, it's one we often share with P&C insurers to demonstrate how SortSpoke can handle even the toughest unstructured documents.

Self-Assessment Questions – [download excel workbook](#)

Every good journey starts with a map. To see if implementing AI technology can solve your challenges around training and retaining staff, we typically ask the following questions to see if they can generate immediate ROI for your organization.

Note: If you answer “**Yes**” to **two or more questions**, your organization would probably be a good fit for a solution like SortSpoke.

- Do you have processes in place for capturing institutional knowledge in underwriting?
- Are you losing talent in underwriting faster than you can replace it?
- Does your onboarding process require training new hires on how to read and extract data from documents?
- Are your underwriters spending 3+ hours looking for data in documents?
- Are your documents a mix of unstructured text and tables?

- [PwC's Annual Global CEO Survey for 2023](#)

“37% of Global Insurance CEOs think their organization will **no longer be economically viable in ten years' time** if they continue on their current course.”



The Cost of Conducting Business As Usual

Traditionally, Commercial P&C insurers followed the mantra of “If it ain’t broke, don’t fix it” regarding their legacy systems and processes. But, times have changed.

Loss of institutional knowledge, inflation, competition from InsurTech startups, higher workloads + fewer employees are just some of the challenges Commercial P&C insurers face.

However, insurers who augment their staff with AI technology can boost short-term performance and set themselves up for long-term success by:

- Consistently winning profitable new business opportunities by responding to broker submissions faster than their competition
- Adapting to marketplace changes on the fly by using AI technology to scale their operations without adding headcount
- Retaining underwriting staff by allowing them to focus on higher-value activities such as working with customers to solve risk mitigation issues

3 Steps Your Organization Can Take to Remain Competitive

By leveraging the strengths of humans and AI, insurers can increase staff productivity by **up to ten times without increasing risk!**

Based on our experiences of successfully implementing SortSpoke with 25+ insurers and service providers, we recommend taking the following steps:

1. Benchmark the time your underwriters spend reviewing and extracting data from documents
2. Identify and prioritize your use cases that score the highest on our self-assessment criteria
3. Consult with SortSpoke to help us assess which use case will have the highest impact and plan a 3-week proof of concept (no obligation required)

Interested in Hearing More About the Latest P&C Trends?

One of the benefits of working with insurers of all shapes and sizes is that it provides us with unique insights into the latest P&C trends. If you want to hear more customer success stories with KPIs or see more examples of how we helped other P&C insurers solve some of their biggest challenges, visit our website to learn more and schedule a meeting with our team.



About the Authors



Jasper Li: SortSpoke was founded by Jasper Li to help commercial P&C and Life insurers intake, triage and extract the data they need for underwriting from unstructured submissions. Prior to SortSpoke, Jasper helped national carriers and financial institutions digitize and unlock value from data as a consultant at PwC. Many of these insights formed the basis for SortSpoke. Jasper went to the University of Toronto with a specialization in machine learning.



Brandon Robinson: Brandon has extensive experience working hand in hand with SortSpoke's carrier, MGA, and service provider customers to successfully implement our cloud-based data extraction technology into their underwriting and claims workflows.



Craig Mauchan: Craig brings over 20 years of insurance experience to SortSpoke. Previously, Craig worked at Zurich, BMO Life Insurance Company, and Ontario Blue Cross in various roles, including underwriting, claims, and technology outsourcing.

About SortSpoke

SortSpoke helps commercial P&C underwriting teams increase their capacity by 30% and prioritize on-appetite risk to increase quote-to-bind ratios and GWP-per-underwriter by 50%. SortSpoke is one of the leading AI platforms for intake, extraction and triage of complex submissions, even specialty products with unstructured supplemental documents. Visit our [website](#) to learn more.

Sources:

Source 1: <https://insuranceblog.accenture.com/why-underwriters-dont-underwrite-much>

Source 2: https://insuranceblog.accenture.com/wp-content/uploads/2013/07/Rethinking_Claims-Achieving_High_Performance_in_the_Insurance_Industry_through_Claims_Transformation.pdf

Source 3: <https://content.jacobsononline.com/2023-q3-laborstudyresults>

Source 4: <https://www.theinstitutes.org/doc/Millennial-Generation-Survey-Report.pdf>