

Income Becomes the First Insurer in Singapore to use IBM Watson Explorer to improve the efficiency of pre- and post-IncomeShield claims

SINGAPORE, June 4, 2017 /[PRNewswire](#)/ -- IBM (NYSE:[IBM](#)) announced today that NTUC Income (Income) is embedding cognitive technologies operationally by adopting Watson Explorer to automate and improve its pre- and post-hospitalisation claims process.

Income receives an average of 14,000 hard copies of IncomeShield pre- and post-hospitalisation claims monthly, which are currently reviewed, assessed and approved manually. This contributes to a significant number of man-hours spent on data entry before claims data can be processed to enable pay-outs.

To address this challenge, Income is using IBM Datacap to better manage claims that are received in a variety of media types. Datacap combines advanced imaging, business rules, natural language processing and machine-learning technologies to automatically classify and extract information in real-time from most types of documents, thereby eliminating labour-intensive manual data entry from paper claims.

For the processing of data, Income is using IBM Watson Explorer, a cognitive search and content analysis platform at different stages of the insurance lifecycle. It can read and analyse structured and unstructured data, such as medical certificates and bills. The length of hospital stays, medical histories, surgical procedures, and other contributing factors are then taken into consideration by the system before it makes claims recommendations and calculates the pay-outs to policyholders. This will reduce the time claims assessors spend researching and matching claims information. Overall, it is anticipated to improve the quality and speed of the decision-making process as well as the consistency of the claims experience for policyholders.

Mr Andrew Yeo, Income's General Manager for Life & Health Insurance, said, "With IBM Watson Explorer cognitive capabilities, we are automating time-consuming manual data entry and claims matching which are currently operational pain points for processing paper claims. This leaves our skilled claims assessors to leverage their experience and judgement, particularly when assessing complex claims."

"It is important that we deploy our claims assessors strategically and in a way that commensurate with their specialised skill-set," Mr Yeo added. "This is essential to raise staff satisfaction levels and support talent retention in Income. This is particularly significant when we are expecting the volume of pre- and post-IncomeShield claims to increase given Singapore's growing silver population. By automating the most tedious aspect of the claims process, Income is better placed to scale our responsiveness to higher volume of claims and to provide our policyholders with a favourable claims experience as we continue to enhance our efficiency and accuracy in claims assessment, review and approval."

The adoption of cognitive capabilities is gaining a significant momentum within the insurance industry. It is making interactions between insurers and their customers both simple and smart while raising the bar for future engagements and effective touch-points. According to a recent IBM Institute for Business Value study, "Insurance 2025" which explores the future of the insurance industry, 79 per cent of insurance company leaders believe technology will have a major impact on their organisations, and 71 per cent have begun to use cognitive technologies.

The adoption of IBM Watson Explorer's cognitive technologies also hold scalable potential to other operational areas such as underwriting and customer-service, which underscores Income's customer-centric approach to provide timely information and service to its customers. This dovetails Income's on-going efforts as a leading digital insurer in Singapore, to partner start-ups and leading technology companies to bring to the fore smart collaborative solutions and innovations, that meet the evolving needs of its customers who are increasingly accessing and purchasing insurance digitally.

"Insurers are always looking for ways to improve the claims experience without compromising the industry's high risk-

management standards," said Mr DJ de Villiers, Insurance Industry Director, IBM Asia Pacific. "The challenge is exacerbated in an environment where business is growing and experienced claims talents are hard to find. Watson is uniquely differentiated in being able to extract and enrich data from various sources to provide evidence-based recommendations which increase the timeliness, accuracy and consistency of the claims process."

In October 2016, Income revolutionised the motor insurance industry with the introduction of two innovative motor insurance schemes – Drive Master and FlexiMileage – that leverage telematics to personalise insurance based on an individual's driving behaviour. More recently, Income concluded its inaugural accelerator programme, Future Starter powered by TAG.PASS, with SGInnovate. The latter mentors start-ups and co-innovates with them smart insurtech solutions that are customer-centric to enhance customers' insurance experience as their user journey becomes increasingly mobile-first.

About Income

Income was established in 1970 to provide affordable insurance to workers in Singapore. Today, two million people in Singapore look to Income for trusted advice and solutions when making their most important financial decisions. Its wide network of advisers and partners provide life, health and general insurance products and services to serve the protection, savings and investment needs of customers across all segments of society.

As a social enterprise, Income is made different. Its social purpose is to make insurance accessible, affordable and sustainable for all. Putting people before profits, Income strives to create and maximise value for its customers.

In 2016, Income had over \$32.9 billion in assets under management. The organisation's financial strength and diversified investment portfolio is reflected by its strong credit ratings which underpin the delivery of our commitment to customers.

Income's corporate social responsibility initiative, OrangeAid, focuses on children and youth, especially the disadvantaged.

For more information about Income, visit www.income.com.sg.

About IBM

For more information on IBM Watson Explorer, visit <https://www.ibm.com/us-en/marketplace/content-analytics>.

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