

The Future Of Artificial Intelligence & Workers Compensation



Developed for:



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Today's Agenda

The Future of AI & Claims

Introduction 5 min

AI Evolution 15 Min

Real Claims AI Use Cases 15 min

AI Adoption Best Practices 10 min

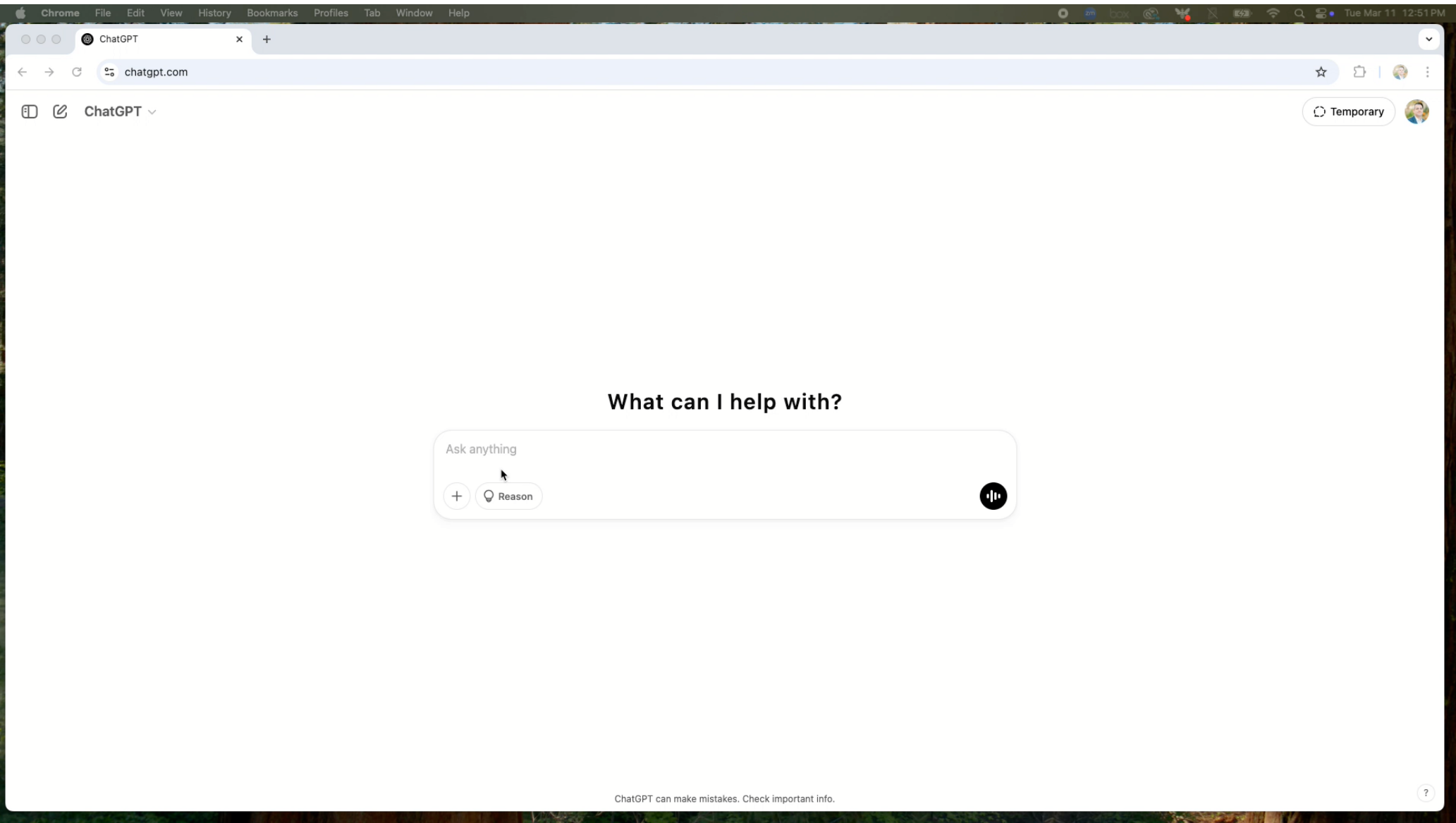
Q&A 15 min

AI Evolution

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AI in Insurance is Currently Artificial Narrow Intelligence

AI Evolution Stages



Artificial Narrow Intelligence (ANI)

Machine Learning

- Specializes in one area and solves specific problems
- Trained by humans and requires retraining
- Digital assistants we interact with today



Artificial General Intelligence (AGI)

Machine Intelligence

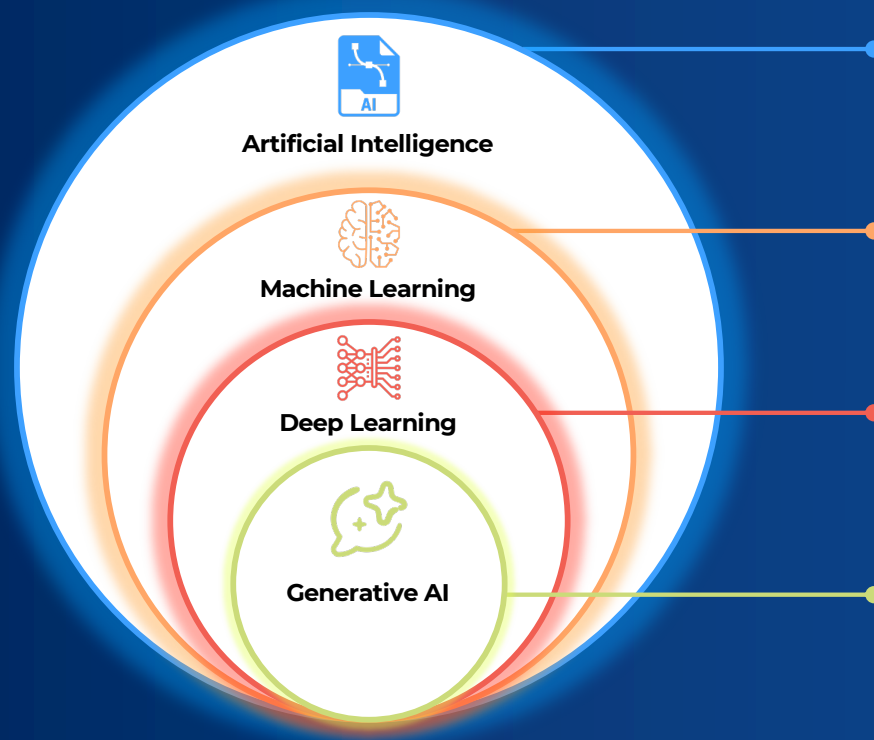
- Refers to a computer who is as smart as a human across general topics
- Does not exist today, but research is underway



Artificial Super Intelligence (ASI)

Machine Consciousness

- An intellect that is smarter than the best human brains across most fields
- Self-trained and supported
- Making rational decisions and expressing creativity



AI - a broad term for machines or software that perform tasks that typically require human intelligence

Machine Learning – a subset of AI that involves the development of algorithms and statistical models for predictions or decision support

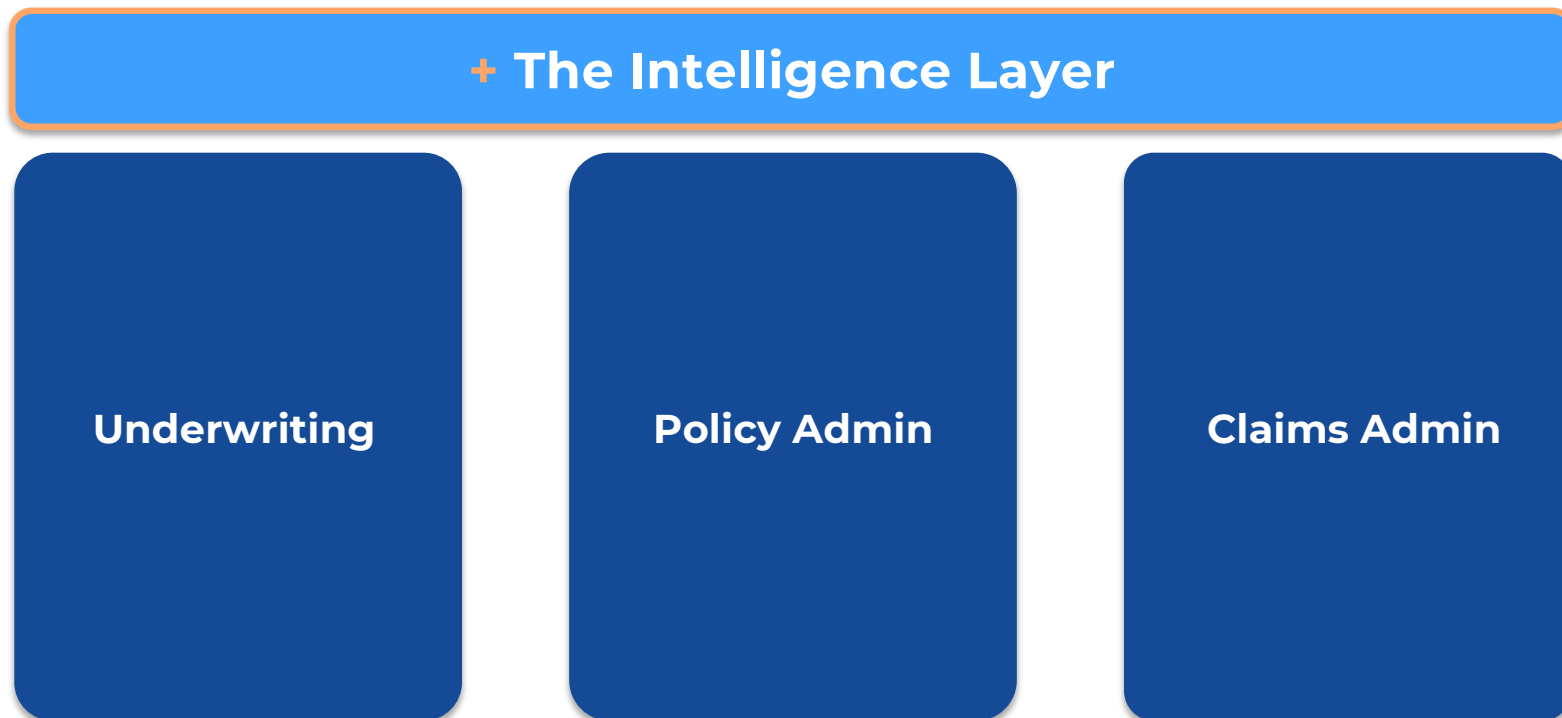
Deep Learning – a subset of Machine Learning that uses neural networks with many layers that is effective at processing unstructured data

Generative AI - focuses on creating new content or data for chatbots, multi-media, and summarization

The Age of AGENTIC AI

You Need an AI Playbook

Redefine Your Core



AI Capabilities That Build Trust and Deliver Results

AI Evolution in Claims



CURRENT CLAIMS PROBLEMS



RISING CLAIM SEVERITY

30% INCREASE IN WORK COMP CLAIMS
OVER \$10 MILLION FROM 2020-2023

Source: [Safety National](#)



AGING WORKFORCE

~400,000 INSURANCE EMPLOYEES TO
RETIRE BY 2026

Source: [US Bureau of Labor & Statistics](#)



RISING INFLATION

BETWEEN 2020 - 2023, THE AVERAGE AWARD IN
TRUCKING ACCIDENT CLAIMS REACHED \$27.5M

Source: [U.S. Chamber of Commerce
Institute for Legal Reform](#)



RISING LITIGATION & NUCLEAR VERDICTS

AT LEAST ONE MULTI-MILLION DOLLAR
VERDICT ON A DAILY BASIS

Source: [Tyson Mendes' Nuclear Verdict Tracker](#)



LOTS OF DATA w/ NO ACTIONABLE INSIGHTS

~\$67 BILLION IN ANNUAL CLAIMS LEAKAGE
DUE TO LACK OF COORDINATION

Source: [Insurance Thought Leadership](#)

SYSTEMIC CLAIMS LEAKAGE

**LACK OF
COORDINATION
ACROSS PEOPLE
PROCESS &
TECHNOLOGY** =

\$67B

**LOST ANNUALLY
DUE TO CLAIMS
LEAKAGE**

\$18B

**ANNUAL
INCREASE IN
CLAIM LEAKAGE**

Source: [Insurance Thought Leadership](#)

THE AI OPPORTUNITY: STOP CLAIMS LEAKAGE!



**ACTIONABLE
DATA-DRIVEN
INSIGHTS**

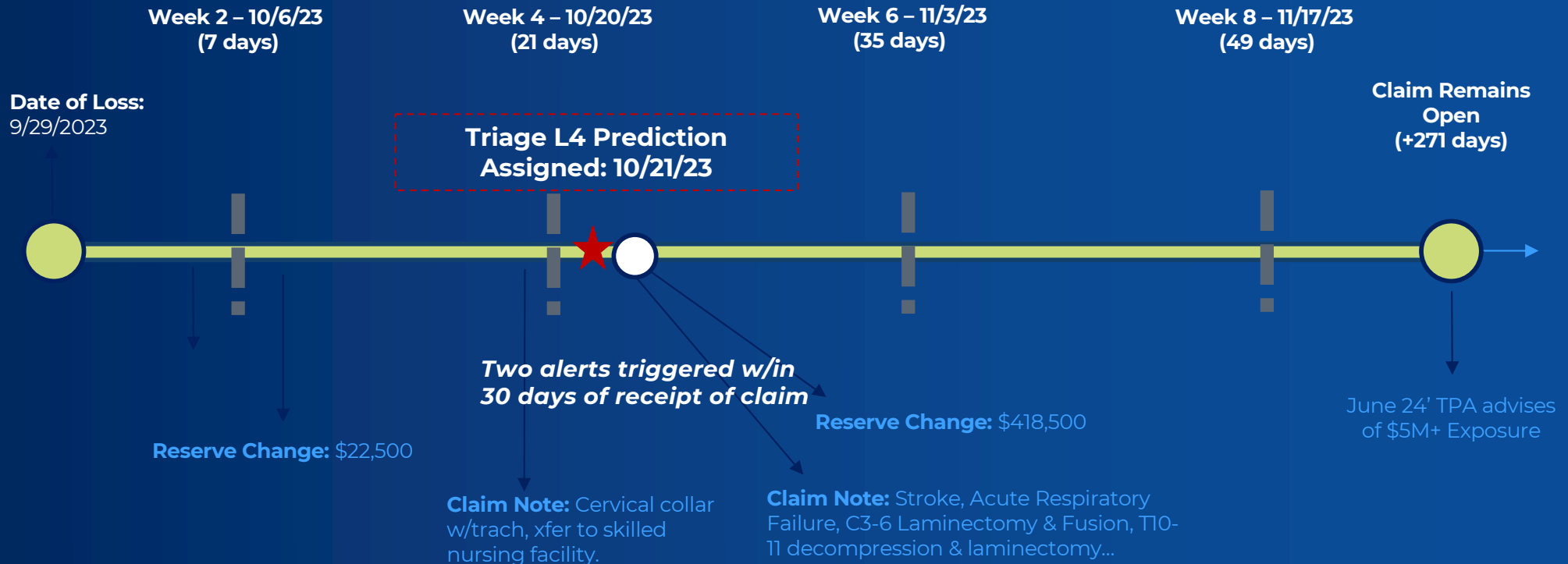


**OPERATIONAL
EFFICIENCIES**



**OPTIMIZED CLAIM
OUTCOMES**

AI ENABLES EARLY INTERVENTION OPPORTUNITIES



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CLAIMS ASSIGNMENT

Up to \$170 billion of insurance premiums could be at risk in the next five years due to poor claims experiences.



Source: [Accenture](#)

Consequences:

**Missed or lengthy
settlement**

**Operational
Inefficiencies**

**Poor Decision-
making**

ACCURATE ASSIGNMENT @ FNOL

PREDICT
CLAIM
SEVERITY

CLAIM NO 9W00-900366354
STATUS OPEN [more info](#) ▾

ALERTS Active (1) Snoozed (0)

Active Alerts (1)

Nurse Case Intervention

07/24/2022 [Complete](#)

[All Completed Alerts \(2\)](#)

PREDICTION

Complexity score changed from Low to High

Low

State of FL has 25% more complex cases
Action Needed: Contact Claimant 11/21/2022 Sue John

Likelihood of Indemnity

State of FL has 25% more complex cases
Claimants over 65 have 2-% more chances of Indemnity

ASSIGN
BASED ON
EXPERTISE



Search | Choose Filter UNSAVED FILTER

DEFAULT FILTER/1: CLAIM STATUS: OPEN

Complexity... Attorney A... Treatment ... Other Aler... All Claims (135360)

<input type="checkbox"/>	<input type="checkbox"/>	CLAIM ID	INSURED NAME	JURISDICTION	OFFICE	ADJUSTER
<input type="checkbox"/>	☆	1353375	MISTY ALLEN PRICE ANDERSON	AL	2756	CHARLES STONE
<input type="checkbox"/>	☆	1279019	BRITTNEY ELLIS WEBB	WY	7822	BRIAN HOLMES
<input type="checkbox"/>	☆	2249415	JEFFREY AGUILAR	OK	7839	CATHY ZAVALA
<input type="checkbox"/>	☆	2308378	CHERYL MOORE AGUILAR	MO	2756	STEPHEN KENNEDY
<input type="checkbox"/>	☆	2285341	VICTORIA GONZALEZ RHODES MILLER	MD	4447	THOMAS BROOKS
<input type="checkbox"/>	☆	2051051	JAMES MCMILLAN MILLER	OK	4612	MICHELLE BARRETT
<input type="checkbox"/>	☆	3.183565434E7	JON WILLIAMS	RI	7223	RANDALL FROST
<input type="checkbox"/>	☆	947284	KATHLEEN SOLIS TRAVIS MCDONALD MILLER	DC	4447	SYDNEY GONZALEZ

Preview : 402007159600001

★ X

Claim Costs View Details

Claim Type	INDEMNITY
Claim Status	OPEN
Jurisdiction	ID
Insured Name	JON WILLIAMS
Adjuster Estimate	\$305,312.38

Claimant

Name	JANET HEATHER BECK
Age	49
Injury Description	EE WAS PULLING PALLETS A...
Disability	YES
Hospitalization	NO

0 Active Alert need your Attention

No active alerts are available.

THE RESULTS

2 Days

**FASTER CLAIM
ASSIGNMENT**

85%

**REDUCTION IN CLAIM
REASSIGNMENT**

40%

**LESS RESERVE
CHANGES**

#2 LITIGATION PREVENTION

166%

**US SPENDS MORE ON
LEGAL SERVICES THAN
GLOBAL COUNTEPARTS**

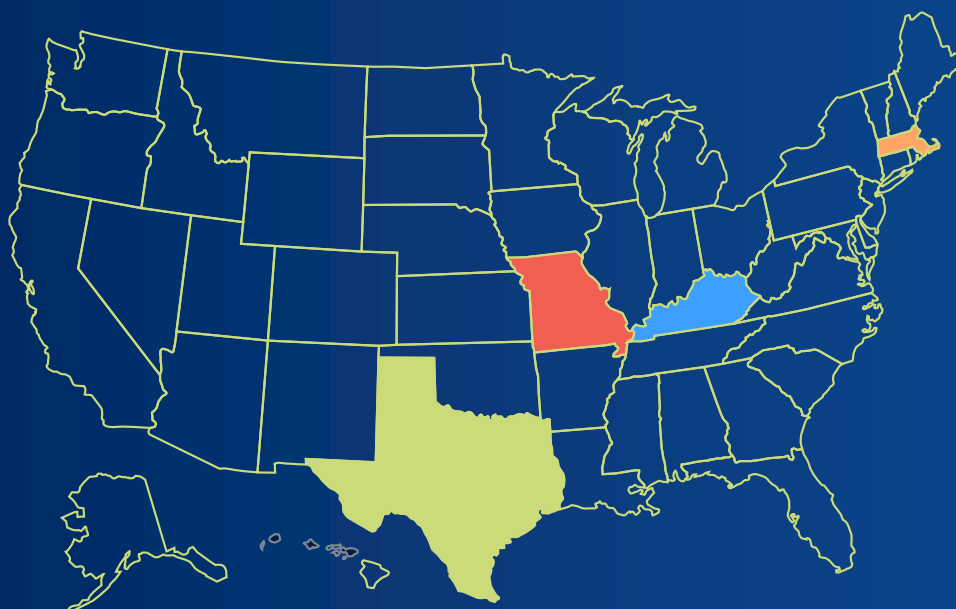
Source: [Thomson Reuters](#)



**AT LEAST ONE MULTI-
MILLION DOLLAR VERDICT
ON A DAILY BASIS**

Source: Tyson Mendes' Nuclear Verdict Tracker

NUCLEAR VERDICT EXAMPLES



\$1.5B

Split between three Missouri plaintiffs who alleged Roundup was the cause of their cancer

\$860M

Awarded to Texas family of a woman killed by a crane, included \$500 million in punitive damages

\$200M

Awarded to family of a Massachusetts woman who passed away from smoking-related cancer

\$163M

Kentucky woman's vehicle struck by roadside assistance car, causing quadriplegia

PREDICT & PREVENT LITIGATION

RECEIVE
CLAIM
LEVEL
ALERTS

Alert

Predicted attorney risk changed from low to high

Pedestrians are 20% more likely to hire an attorney

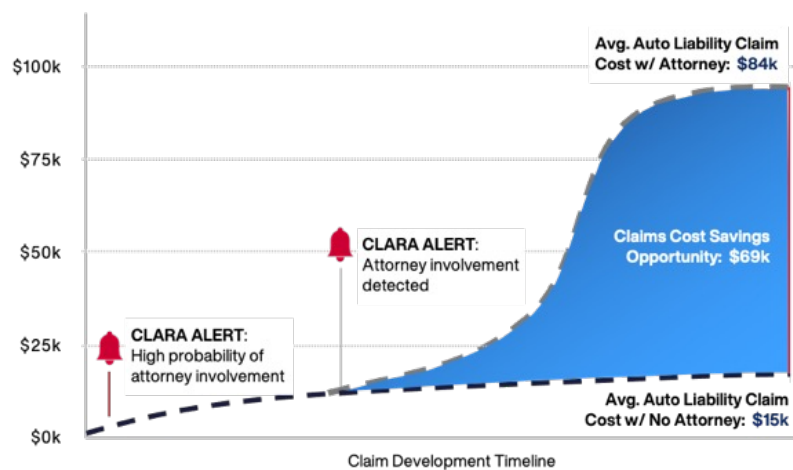
High

ACTIVE ALERT

COMPLETE THE ALERT

TAKE
ACTION
& SAVE

Average Auto Liability Claim Costs:



#3 DEFENSE PANEL SELECTION

**Do you know who
you're hiring?**

DEFENSE ATTORNEY A OR ATTORNEY B



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ATTORNEY A
CLARA RATED A-C

Claim Cost
\$98,671

Claim Duration
1,538 days

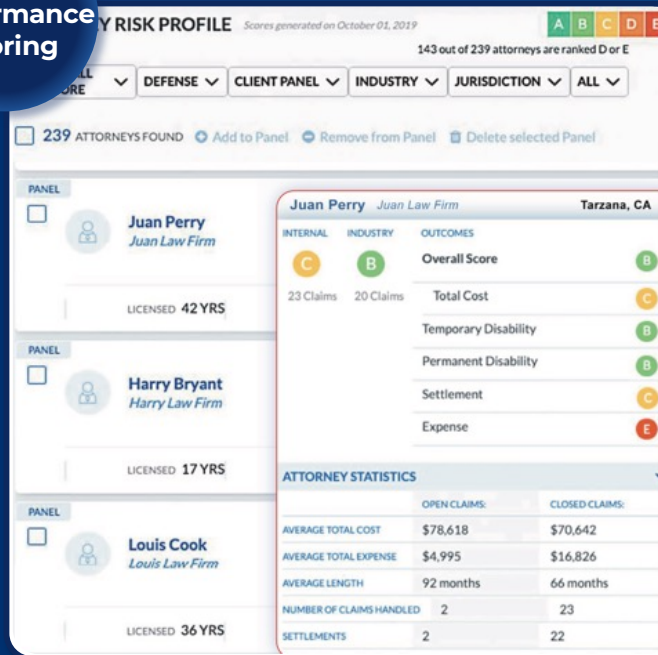
ATTORNEY B
CLARA RATED D-E

Claim Cost
\$134,050

Claim Duration
1,814days

AI FOR ATTORNEY SELECTION

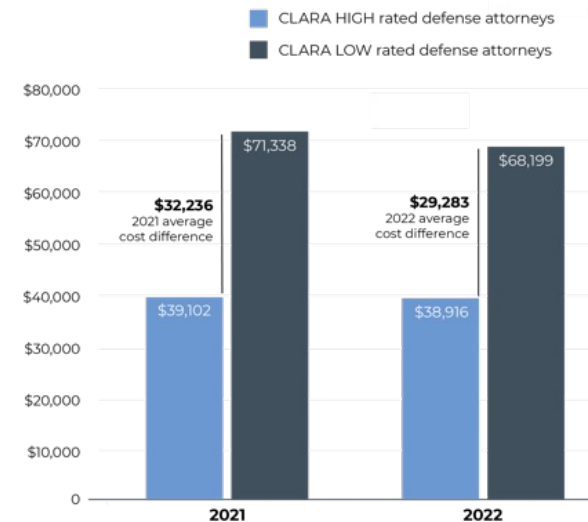
Attorney
Performance
Scoring



Drill down and see details about the attorney

Lower legal expenses and improved outcomes with better performing

Average Claim Costs by Attorney Rating :



THE RESULT

3-5%

**Reduction In Attorney
Involvement**

\$3M+

**Avg Legal &
Expense Savings**

#4 LEGAL DEMAND & MEDICAL PACKAGE REVIEWS



**AVG. READER TAKES 6
HOURS TO READ 200
PAGES**



**AI DOES THE SAME TASK IN
SECONDS, BUT ALSO
SUMMARIZES & ANALYZES**

Upload

UPDATE

Sorted File

LEGAL LETTER DATE:

View   

Q

Medical

Modified on Feb 26, 2025 by kieran.w

Medical Summary

 Edit

DATE OF PACKAGE

[View More](#)

OVERALL SUMMARY

The patient suffered a severe right upper extremity injury involving degloving, open fractures of the radius and ulna, and neurovascular damage. Initial treatment included splinting, dressing, and arranging urgent transfer for operative management. Recommended surgeries include fixation of radius and ulna fractures, debridement, and stabilization. Serial surgeries will likely be needed for this mangled extremity. Findings reveal bone, muscle, nerve, and tendon injuries with high risk of limb necrosis. Vital signs and exam show neurovascular compromise. The main diagnoses are open forearm fracture and neurovascular injury. Imaging demonstrates comminuted fractures and joint dislocation. Further surgical plans involve debridement, hardware removal, tendon repair, skin grafting, and physical/occupational therapy for rehabilitation. Overall, this is a severe upper extremity injury requiring extensive initial and long-term care.

TREATMENT PERIOD 12/8/2023 - 3/8/2024

DATE OF LOSS

DATE OF SERVICE ⇅

FACILITY NAME 

Expand All Summarie

12/10/2023

CARMACK MD. DAVID B

[Export CSV](#)

Export PDF

Original PDF

THE RESULT

NORMAN & NORMAN

~90%

Reduction in Document
Review Time

CLAIM NUMBER	9999999999	PARTICIPANT NAME	Jane Doe
AGE	38	DATE OF PACKAGE	01-25-2023

OVERALL SUMMARY

Jane Doe, 38 years old female, presents with chronic lower extremity numbness and tingling in the bilateral lower extremities. She reports that the symptoms have been present for approximately 10 years and are exacerbated by prolonged standing or walking. She has been treated with physical therapy and pain management without significant improvement. She is currently on chronic pain medication and has been unable to return to her previous level of activity. She is seeking a second opinion and is considering legal action.

TREATMENT

DIAGNOSIS

PROV

TREATMENT SUMMARY

Save Over \$2M
For Every 1M Pages

close

Export CSV

#5 FRAUD DETECTION & SIU REFERRALS

\$308B

**LOST TO INSURANCE
FRAUD ANNUALLY**

Source: [Forbes](#)

20%

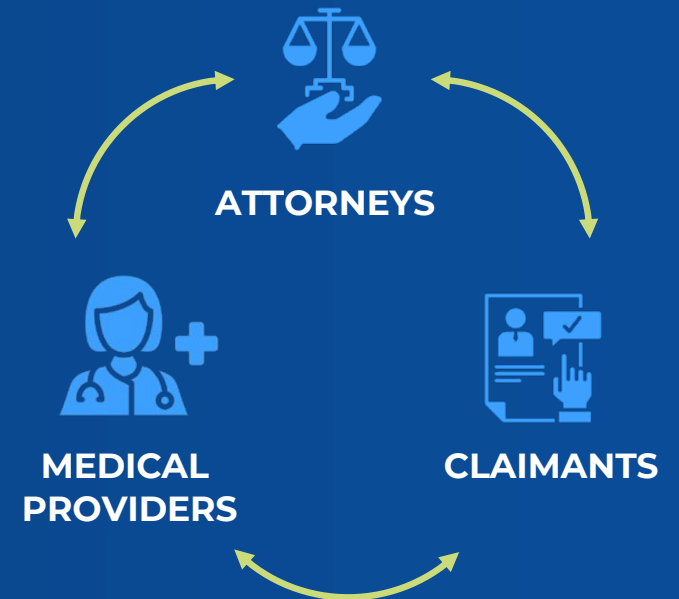
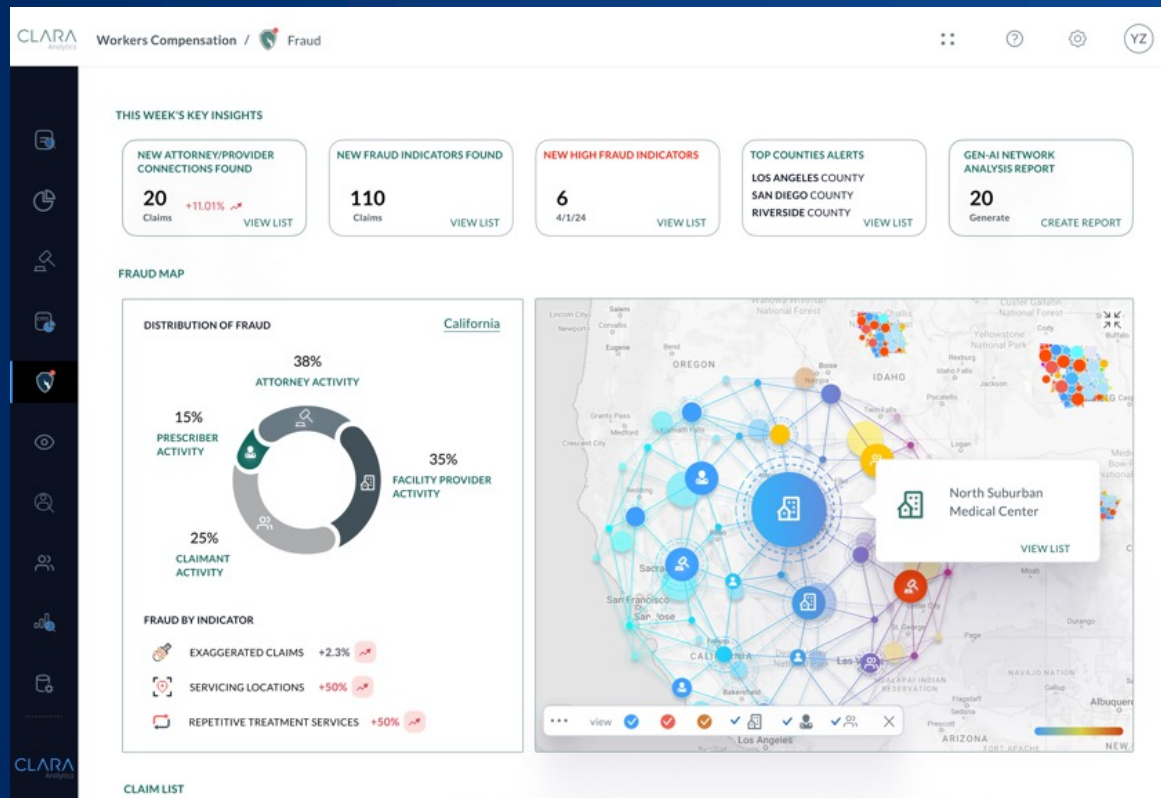
**OF CLAIMS HAVE
SOME FORM OF
FRAUD**

16%

**OF AMERICANS
BELIEVE INSURANCE
FRAUD IS NOT A
CRIME (55M People)**

Source: [Coalition Against Insurance Fraud](#)

ADVANCED RELATIONSHIP MAPPING



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AI INVESTMENT = REAL ROI

**AI CLAIMS
GUIDANCE
BENEFITS**

=

- ✓ **LOSS COST AVOIDANCE**
- ✓ **LOWER OPERATIONAL EXPENSES**
- ✓ **IMPROVED EMPLOYEE
RECRUITING & RETENTION**

The Leading Casualty Claim AI Platform for the Modern Risk Manager

The Solution: Better Decision Making for Real ROI

Generative AI, Machine Learning & Predictive Analytics for Casualty Claims



CLAIMS DOCINTEL PRO

Unlock Valuable Insights From Your Documents

Users reduced medical doc review time by **80%**



LITIGATION

Select the Right Counsel & Legal Strategy

Avoid **millions** of dollars in legal spend - drive **settlement** & avoid **nuclear verdicts**



TREATMENT

Quickly Identify The Best Doctors For A Claim

Users reduce work comp medical expenses by **15%**



CLAIMS INTELLIGENCE

Understand Your Past, Present & Future Risks

Users reduce risk reporting and analysis time by **80%**



Clara TRIAGE Platform

Navigate claims with Confidence and control claims trajectory with...



Control Tower

✓ Claims indicator

Alert Reporting

✓ Complexity & Severity analytics

Claims Portal

✓ Risk Transfer, Subrogation & Fraud

ROI Reporting

✓ Risk Notes

✓ Agentic Reasoning

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by CLARA Analytics

know where you are...

where you are going...

and why!

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Best **AI** Practices

The Right AI Partner Can Enable Risk Professionals to Proactively Mitigate Losses

Claims AI Partner Evaluation

- ☐ Is **information security** their priority? Both **SOC2 & HIPPA** compliant?
- ☐ Do they have experience **securely using Large Language Models**?
- ☐ Do they have **risk & insurance expertise**?
- ☐ Can they provide **coverage across key casualty lines**?
- ☐ Do they have **proven model outcomes**?
- ☐ Can they provide **measurable ROI**?
- ☐ Can they **benchmark claim outcomes** & TPA performance?
- ☐ Are they designed drive **operational efficiencies** and **improved claim outcomes**?
- ☐ Does the solutions **integrate into your workflow**? Available **RMIS & TPA integration**?

AI ADOPTION ACCELERATORS

Build a Coalition of Support

"It takes a village"

**Partner with
Established Players**
You don't have to start from
scratch

**Develop Technical
Knowledge**
Become conversant
in AI tech

AI ADOPTION ACCELERATORS

Create a Cross-Functional Team

Technical and business folks aligned on a goal

Select Strategic Use Cases

Consider ROI, odds of success, time-to-deployment

Experiment Quickly

Set bi-weekly goals and be agile

AI ADOPTION ACCELERATORS

Celebrate Success & Learn From failure

Reward your team

Monitor, Measure, Maintain

Your initiative doesn't end
when deployed

Broaden the Footprint

Leverage your successes
across the enterprise

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THANK
YOU!

Let's keep in touch.
marketing@claraanalytics.com

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