MERLYNN

www.merlynn-ai.com

Digitized Insurance

Agile yet Robust

Underwriting

Digitized Insurance

Digitized underwriting expertise, via TOM™ artificial intelligence enables insurers to virtually operationalize their top underwriters. Deploying top expertise at first point of contact, rather than last resort revolutionizes underwriting process efficiency and significantly reduces risk.

Real-time risk assessment technologies currently enable insurers' to turnaround quotes, bind risk, attend to policy amendments and renew policies within minutes.

The next step is to automate high consequence risk assessment processes - the risks currently referred to human experts and decision makers - without compromising the quality of the book,

Intelligent Automation

Intelligent technologies have introduced enormous operational efficiencies in risk selection and underwriting particularly in the high frequency / low severity sectors of the market. These processes utilize a combination of system-based rules, and various technologies such as data analytics, predictive AI, optical character recognition (OCR) and natural language processing (NLP) etc.,

to analyze risk and execute actions or tasks using RPA technologies. As an output decisions to either bind, renew or decline are generated, **high-risk, above mandate or uncertain decisions are referred for human experts to review or for authorization.**

The diagram below illustrates the point at which tasks are handed off for human intervention (terminal node) - within intelligent automation processes.

This point will vary within lines of business and level of automation maturity within each organization.

Simplified U/W Process
Intelligent Automation (Property Example)
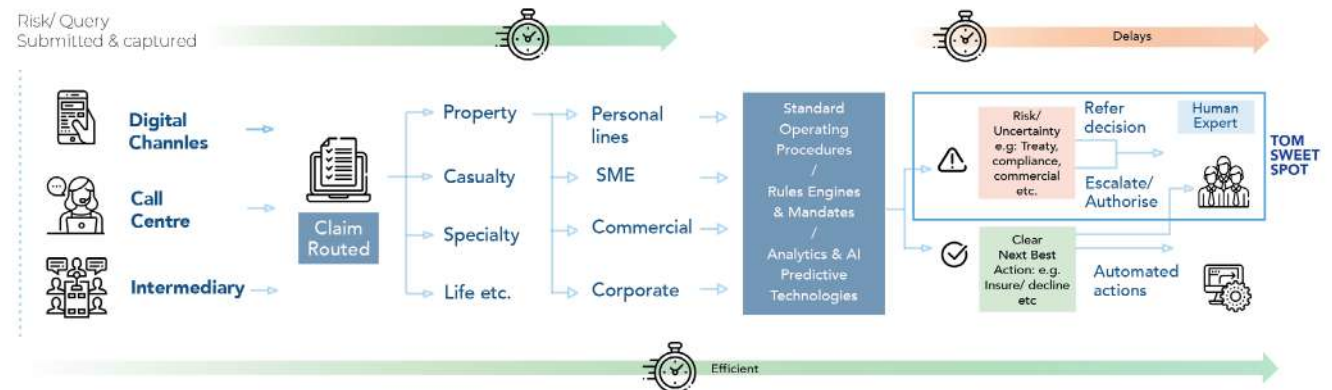
Human Intervention

As the complexity or severity of risk increases reliance on human intervention to manage risk increases. Risk complexity often **requires the insight, judgement and expertise of specific subject matter and domain experts** to provide appropriate next best action and risk mitigation advice. **Experience, gutfeel and intuition** are particularly valuable in discerning risk exposure in high risk segments and evolving risk environments.

Decisions may be further complicated by **treaty restrictions, regulatory and compliance obligations, commercial or ethical considerations,** which require authority, an understanding of strategic goals and business acumen to make smart decisions that achieve the best outcome for the organization.

Until now it has not been possible to automate decisions which incorporate judgement or tacit knowledge (experience gained knowledge), this is why much of the industry has remained reliant on human intervention to manage risk, the downside of the referral process lies in **service delivery delays and process inefficiencies** due to limited resources.

Hyper-Automation Integrating TOM™

Merlynn's Tacit Object Modeler TOM™ is unique in its ability to digitally 'clone' human expertise. TOM™ creates a **'Virtual Expert'** which replicates the decisions of a human expert. Deploying Virtual Expertise, into operational processes, enables real-time access to the decisions of the organizations top underwriters. **Hyper-automation** revolutionizes existing underwriting processes, ensuring insurers remain, **agile and robust beyond 2021**

Simplified U/W Process Hyper- Automation (Property Example)
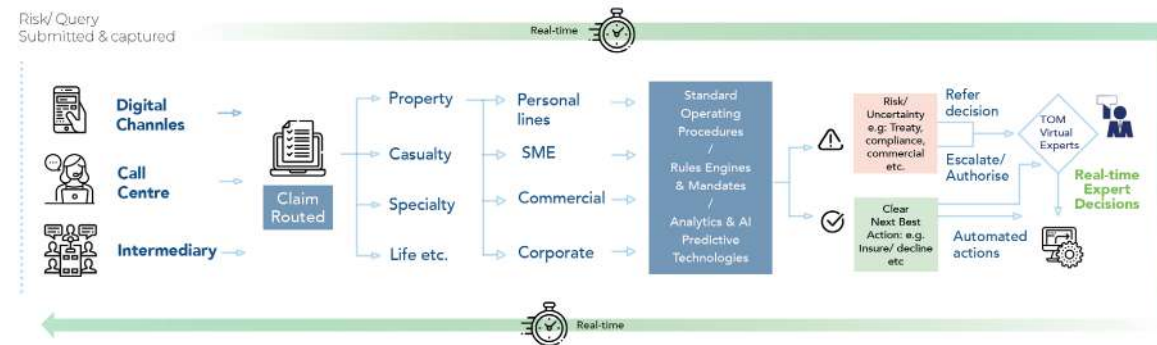
The diagram illustrates an intelligent underwriting process which incorporates Virtual Experts to achieve Hyper-automation. Virtual Experts may be deployed anywhere within the process flow as required or demanded.

Business Benefits:

Reduce Risk
- Real-time insight from domain experts applied to all risks regardless of frequency or severity.
- Commercial, business judgement, and ethical considerations incorporated into decisions
- Reduced human error - accurate and consistent decisions made by domain experts.
- Transparent decision trail for audit or legal purposes.
- Captured intellectual property

Operational Efficiencies
- Real-time decisions, reduced Mean Time To Resolution
- Approval & Escalation process revolutionized - virtual expert provides decision of highest mandate / best expert
- Reduced authority delegation
- Expert time spent on higher value tasks
- Enhanced customer service and experience

TOM Technology - What Makes TOM Unique?

- Ability to model human expertise and decisions requiring judgement and instinct (tacit knowledge).
- Requires no historical data for model creation.
- User-friendly interface enables non-technical domain experts - to create and update their models with all AI complexity accommodated in the backend.
- Rapid learning accommodates model updates (within hours) to cater for an evolving risk and regulatory landscape.
- Rapid deployment and integration into existing systems via TOM API.