

Pinnacle's Expertise

Pinnacle's expertise includes:

- Developing claims settlement value estimation models based on claim characteristics at various points of evaluation in the claims process.
- Creating an "early warning system" for identifying large and extraordinary claims.
- Analyzing industry claims data sources to estimate the impact of law and regulation changes.
- Evaluating claims service providers to determine their value in the claims process.
- Reviewing company policies and procedures and their effect on claim settlement values relating to claim reporting, contact lags and settlement lags.

Pinnacle does not just provide a model, but offers hundreds of years of combined insurance expertise to help translate the model results into practical applications.

Our development process is completely open to the client. It provides knowledge transfer to assist clients in developing in-house expertise for performing future claims predictive modeling analysis. This approach helps companies achieve the initial benefits of predictive modeling quickly while developing cost-effective long-term solutions.

Articles and Resources

Pinnacle's experts have spoken widely and authored monographs and articles about predictive modeling.

To review these materials and resources, please visit the predictive modeling section of Pinnacle's website at <http://www.pinnacleactuaries.com/pages/services/predictivemodeling>.

About Pinnacle

Pinnacle Actuarial Resources, Inc. is an independent actuarial and management consulting firm owned by its professional staff. Ranking among the top 10 largest property/casualty actuarial firms in the United States, Pinnacle's reputation for uncompromising professionalism, expertise and outstanding service explains why more and more companies and organizations consider Pinnacle to be the firm of choice for actuarial services. Pinnacle's expertise in alternative markets includes serving five of the 10 largest group captives as well as hundreds of self-insured employers and groups, captives, municipal pools, manufacturers, public entities and universities.

The Pinnacle Difference

Here's what you can expect from Pinnacle:

- A strong desire to understand our customers and consider their unique business goals, geographic and industry mix, risks and culture
- Responsive customer service that is timely, dependable and focused on your unique needs
- Effective communication of our findings, featuring objective, understandable reports, presentations and expert analyses
- Emphasis on knowledge transfer which results in greater customer satisfaction and better understanding of our results and products
- Multi-disciplinary expertise and experience, combined with marketplace knowledge and state-of-the-art technologies, tailored to each customer's projects

Contact Information

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Claims Predictive Modeling

Actuarial and Predictive Modeling Services

Discover the Secrets
Within your Data

PINNACLE
ACTUARIAL RESOURCES, INC. 
The Firm of Choice

Claims Predictive Modeling

Discover the Secrets Within your Data

Nothing can save money and secure customer satisfaction like superior claims service. Whether your claims organization is state-of-the-art or facing some challenges, the secret to improving the claims process lies within the information you already have.

With the help of new data analysis techniques, you can better understand how key factors such as reporting delays, vendors, independent adjusters, attorney involvement, injury type and claimant characteristics impact your claims process. Compare this to traditional approaches to claims auditing, which can point out problem areas but cannot identify complicated patterns and trends nor evaluate key factors simultaneously.

Unleashing the Power of Predictive Modeling

Predictive modeling can take many potential influences on the claims process and analyze them simultaneously to reveal their true impact. This important approach relies on company data but can also be supplemented with outside data.

While traditional claims audit processes rely on benchmarks, intuition and long-held beliefs, predictive modeling recognizes patterns in the data. Some patterns may confirm traditional thinking while others may challenge commonly-held assumptions. For example, it is commonly known that claims which remain open longer typically tend to settle for more money. Finally, you can quantify these results.

Predictive modeling will also help answer questions such as which service providers — claim adjusters, medical providers, repair shops — are adding value or detracting value in resolving the claim.

Additionally, by identifying claims that show the potential to become very expensive at an early stage, you can take proactive measures to resolve the claim effectively.

Claims predictive modeling also helps identify more potentially fraudulent claims. By applying predictive modeling to historically fraudulent claims, pattern anomalies can be identified and trigger further investigation.

Why Pinnacle is the Firm of Choice for Predictive Modeling

Since predictive modeling is such a powerful tool, it should be applied by a firm specializing in insurance that has extensive knowledge and experience. That hard-to-find critical combination is available at **Pinnacle Actuarial Resources, Inc.**

Pinnacle's consultants have been involved in predictive modeling applications for the insurance industry for nearly a decade. Known for our expertise in pricing and underwriting, we have completed dozens of predictive modeling projects that include claims data analysis.

Pinnacle Can Help



Whether you are satisfied with your company's claims process or not, chances are claims predictive modeling can improve it. Below are some questions your management team should be asking. The more you answer "yes," the more Pinnacle can help.

- Are claim settlement costs increasing more quickly than expected?
- Does your company have large areas of outside expense — such as medical, rehabilitation adjusters, attorneys or auto repair shops — in the claims handling process?
- Are there significant numbers of large or extraordinary value claims?
- Does your company's fraud detection program need to be evaluated?
- Are you concerned about the impact of potential legislation of court decisions?
- Does your company's claims process need tightening to reduce claim reporting or settlement lag time?
- Could your company benefit from a more effective absence management program (e.g. return-to-work and modified duty) that reduces claim duration while improving employee morale?
- Does your company have significant employee turnover in the claims department?
- Is customer satisfaction with the claims process less-than-desired? Is it leading to a loss of customers?