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Sent: Wednesday, May 26, 2021 8:30 AM
To: Kroll, Teresa <Teresa.Kroll@insurance.mo.gov>
Subject: Digital Claims (HO & PPA)

Schedule 1 – Interrogatories

- Why are we asking for the list of vendor? What is we are hoping to learn by having the company provide that list?

Coverages - Other Breakouts

- Please confirm exactly which lines are to be broken out? Is it 2-26 thru 2-46 for PPA and 2-23 thru 2-39 for HO?
- Will the companies be expected to report total for each coverage or will we be totaling the numbers
- If we are totaling the numbers, will the companies be reporting the both the break out and the total median day to pay for the applicable claims coverages? We cannot add the two numbers and compare them with prior reporting periods.
- Was there any discussion about the altering the claim payment bucket breakouts? Just wondering if these current timeframes, especially for closed without payment, will provide meaningful information for digital claims? Or will all the claims fall only into the 1st or 2nd bucket?

Definitions

- Header “Digital Claim Settlement” isn’t necessary. We don’t group any of the other definitions.
- Don’t remember offhand, but do the applicable coverage types involve only 1st party claims? Or could there be 3rd party claims reported?
 - If it includes 3rd party claims, do we want to change references from insured to insured/claimant?
- HO/PPA definition each contain language not applicable to the line of business. For example the HO definition include things like ‘vehicle’, ‘body shop’, and ‘in-vehicle sensors’. Should the non-appropriate line of business references be removed to avoid confusion?
- Are plane or drone photos a technology used in PPA?
- Digital Claim Settlement - I’m not clear on whether or not the automated loss settlement algorithms included in the example are necessary for a claims to be considered to be a digital claim settlement, as the definition itself seems to lack this requirement.
- Current definition appears to include only those instances where there is no **in-person inspection or appraisal**. If a claim adjuster relies solely on photos without doing an in-person inspection or appraisal, how should that claim be counted?
- Would a digital claim settlement include instances where the insurance company uses an automated loss settlement algorithms to generate a settlement offer, but has an adjuster review the photos (but no do an inspection) and the offer before sending it to the insured?
- Where would auto glass claims be reported under the PPA statement? Are they Digital Claims?
- Where to claims get reported that start out via the digital process but get kicked out of the process (for whatever reason) at any time during the process before an ‘automated’ offer is generated/made to the insured?
- Digital/Traditional Hybrid claim settlement – the words claim and settlement in the term itself should be capitalized

- Digital/Traditional Hybrid Claim Settlement – appears to require an on-site visual inspection or appraisal to fall into this bucket. Where would a claim be reported if the initial ‘algorithm-developed offer is not accepted, the insured then sends in estimates from a contractor or body shop, and the insurer amends the offer without doing an on-site inspection?
- Do we need to address the reporting treatment of re-opened claims?
- Traditional/Other Than Digital Claims Settlement – inconsistent capitalization of the words Claim Settlement in the definition
- If an insured attaches a copy of a contractor or body shop estimate with the photos when submitting the claims does that still fall under a digital claim settlement if the insurer uses an automated loss settlement algorithm on the photos to generate the offer? Or would that fall into one of the other buckets and if so, which one?
- Additional Digital Claims Settlement Guidance – not quite sure how to interpret this chart. Is it supposed to be a decision tree? If so, perhaps a more traditional decision tree format would be more appropriate.
- Additional Digital Claims Settlement Guidance – Could the answer in the Hybrid Claim Settlement/Two or More Loss Settlement Offers ever be a NO?
 - Is so, what does that mean?

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