



School: ATEC – Live Courses

Course: AI for Claims Management: Sorting the Practical from the Possible

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John Culhane, Claim Services Insights Manager, Wegmans Food Markets

Summary

The panel discussion *"AI for Claims Management: Sorting the Practical from the Possible"* moderated by Mollie Kallen of The IMA Group, featured Tyler Kennedy of Gain Life and John Culhane of Wegmans Food Markets. The discussion explored the potential of AI to reshape claims management by enhancing efficiency and decision-making, as well as addressing significant challenges that must be carefully managed.

The session began by highlighting the primary advantages AI brings to claims management. One of the foremost benefits is the ability of AI to automate repetitive tasks, such as data entry and scheduling, freeing up time for employees to focus on higher-level strategic decisions. AI's data-processing capabilities also enable faster, more accurate decision-making by identifying trends and patterns that humans may overlook. This is particularly valuable in industries like healthcare and finance, where real-time data analysis can lead to earlier diagnoses and better financial risk assessments. Additionally, AI offers a high degree of personalization, allowing businesses to tailor services to the needs of individual claimants, which can improve customer satisfaction and loyalty.

The panel emphasized that AI's scalability and 24/7 availability make it an ideal tool for managing global claims operations. It can handle continuous workloads without breaks, ensuring claims processing and customer service remain operational around the clock. Furthermore, AI is fostering innovation in claims management, creating new solutions for longstanding challenges and opening doors for creative problem-solving.

However, the discussion also focused on the significant risks and challenges AI presents. One key concern is over-reliance on AI. While AI can provide valuable insights, human oversight remains critical to avoid errors or unintended consequences. Autonomous AI systems can sometimes behave unpredictably, leading to issues such as market crashes or accidents involving autonomous vehicles. Therefore, human judgment should guide the implementation and outcomes of AI systems.

Security and privacy risks are also major concerns in AI deployment. AI systems can be vulnerable to cyberattacks, such as data poisoning or adversarial attacks, where malicious input manipulates the AI's output. These risks are particularly pronounced in



sectors like healthcare and finance, where data integrity is crucial. Additionally, AI's dependence on vast amounts of data raises ethical concerns regarding privacy and the potential for biased decision-making. Ensuring that AI systems are transparent and accountable remains a critical challenge, as many AI models operate as "black boxes" where their decision-making processes are unclear.

The panel also addressed concerns about job displacement as AI continues to automate routine tasks. While AI can boost productivity, it also risks rendering certain jobs obsolete, which will require reskilling and workforce development to prepare employees for new roles created by AI advancements.

In conclusion, the panel agreed that while AI offers transformative potential for claims management, its benefits must be balanced against the challenges of security, bias, ethical concerns, and the need for human oversight. By navigating these challenges carefully, organizations can harness AI to enhance their capabilities without sacrificing control or fairness.

Learning Objectives

- 1. Understand the practical applications of AI in claims management and how it impacts daily workflows.
- 2. Identify key benefits AI offers in improving efficiency, decision-making, and customer service within claims management.
- 3. Analyze potential risks and challenges, such as data privacy concerns, overreliance, and ethical issues in AI deployment.
- 4. Explore the future trends in AI, focusing on the technology's scalability and role in personalized claims handling.
- 5. Learn about the balance between human oversight and AI-driven decisionmaking to mitigate risks in claims management.

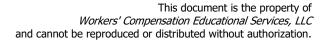
Primary Takeaways

- 1. AI can greatly improve the efficiency of claims management by automating repetitive tasks and data processing.
- 2. Decision-making can be enhanced with AI through faster data analysis and pattern recognition, but human oversight is critical.
- 3. There are significant risks involved in AI, such as bias in decision-making and the potential for security breaches, which must be carefully managed.
- 4. AI's scalability and 24/7 availability make it highly valuable in customer service and global operations.
- 5. Ethical concerns, such as transparency in AI decisions and job displacement, require thoughtful consideration and responsible implementation.



Course Outline

- 1) Introduction to AI in Claims Management
 - a) Moderator: Mollie Kallen of The IMA Group
 - b) Panelists: Tyler Kennedy of Gain Life, John Culhane of Wegmans Food Markets
 - c) Overview of AI in claims processing and management
- 2) Practical Applications of AI
 - a) Efficiency improvements
 - i) Automation of repetitive tasks
 - ii) Faster data processing
 - b) Enhanced decision-making
 - i) Real-time data analysis
 - ii) Risk identification and mitigation
 - c) Personalization in claims handling
 - i) Tailoring services to individual claimants
 - ii) Improving customer satisfaction
- 3) Challenges and Risks of AI
 - a) Over-reliance on AI
 - i) Importance of human oversight
 - ii) Examples of AI mistakes due to faulty data
 - b) Data and security concerns
 - i) Vulnerability to cyberattacks
 - ii) Data privacy and ethics
 - c) Job displacement and skill loss
 - i) Replacing routine tasks
 - ii) Reskilling the workforce
- 4) Ethical and Accountability Considerations
 - a) Transparency in AI decisions
 - i) Black-box AI issues
 - ii) Growing demand for explainable AI
 - b) Bias and fairness
 - i) Impact of biased training data
 - ii) Discriminatory outcomes in hiring and lending
- 5) Future of AI in Claims Management
 - a) Innovation and scalability





- i) AI's role in continuous operations
- ii) Opportunities for creative problem-solving
- b) Workforce adaptation
 - i) Training for AI interaction
 - ii) Preparing for new roles in claims management

NOTE: Artificial Intelligence was used in the creation of this document.