Asplundh Tree Expert, LLC
Improving the Claims Profitability
of your Claims Administration Operations using Advanced Analytics

Discussion Outline

▶ **Introductions**

▶ **Ventiv Technology**

   ▶ Overview

   ▶ The Impact & Profitability of Predict

▶ **Asplundh**

   ▶ Overview

   ▶ The Power of Predict

▶ **The Next Frontier of Claims Operations for Predict & Decision Sciences**

Panel

Pat O'Neill
President, Redhand Advisors

Mark Tainton
Global Head of Decision Analytics, Ventiv Technology Inc.

Elvin J. Rosado, ARM
Manager, Risk Analytics-Risk Management, Asplundh Tree Expert, LLC.

Ventiv Technology Overview
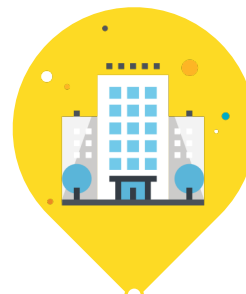Fastest Growing in the Risk and Insurance Market

45+
YEARS IN BUSINESS

450+
GLOBAL COLLEAGUES

400+
THOUSAND USERS

500+
CLIENTS

20B+
ANNUAL SYSTEM TRANSACTIONS

24/7
INFRASTRUCTURE AVAILABILITY

Ventiv Technology Overview

Ventiv Decision Analytics

Ventiv`s breadth-and-depth of embedded decision analytics solutions expand across multiple analytical disciplines

VENTIV`S RISK MITIGATING SOLUTIONS

PERFORMANCE Business Intelligence	SELF-SERVICES Discovery & Exploration	INSIGHTS Benchmarking	RISK Geospatial	DECISION SCIENCES Predict & STP	DECISION SCIENCES Data Science Platform
Be armed with impactful dashboards and reports to transfer risk insights into better decisions and outcomes	Create advanced charting and dashboarding for greater insights, and discover hidden trends and anomalies using natural language processing	Benchmark your risk management program against your industry peers	View claims, human capital and property assets triangulated against current or past geospatial events	**Leverage predict for better decision making, efficient risk transfer and balance sheet protection**	Rapidly build and deploy custom predict models, delivering significant ROI, or conduct advanced exploratory analysis

VENTIV PREDICT & CLAIMS STRAIGHT-THROUGH-PROCESSING

1 CLAIM SEVERITY SCORE
- Predict which claims have the potential to exceed a certain cost threshold
- Examiner / adjust reassignment for cost containment and quick resolution

2 CASE RESERVE
- Predict the ultimate incurred of each claim
- As the claim develops, the reserve prediction will constantly be updated

3 CLAIM DURATION
- Claim duration predicts the amount of time it will take to close the claim
- Claim duration is highly correlated with the total cost of a claim

4 LITIGATION POTENTIAL
- Litigation potential helps identify claims that have higher probability of a formal litigation
- Litigation potential will vary based on how the claim develops

5 SUBROGATION
- Identify claims that should be considered for subrogation
- Claim/adjuster notes are leveraged as well (through natural language processing) to identify potential claims for subrogation

Claim occurs

CLAIMS STRAIGHT THROUGH PROCESSING

Claim closed

Ventiv Decision Analytics

Improving the Profitability of your Claims Administration Operations by using Advanced Analytics

	MARKET HEADWINDS	VENTIV DECISION ANALYTICS	BY THE NUMBERS BETTER DECISION, BETTER OUTCOMES	
HUMAN CAPITAL	• Aging adjuster demographic • Labor shortages | talent attraction • Tomorrow's analytics users will consume data differently from those of today	• Improves claim assignment at FNOL • Removes the variability of adjuster experience levels • Improves overall program performance, closing ratio`s, oversight & adjuster consistency	**35%** ADJUSTER EFFECIENCY GAINS	**20%** INCREASE IN ALIGNMENT OF CLAIMS TO STAFF EXPERIENCE
BALANCE SHEET PROTECTION	• Regulation & compliance on the rise • Litigated claims and settlements have increased 10-fold over the last 5 years • Judicial hellholes continue to place pressure on risk & claims teams' resilience	• Identifies sleeper claims before they escalate & improves early settlement • Lowers claims costs through improved reserving and duration • Identifies claims likely to be litigated	EARLY IDENTIFICATION OF HIGH-COST CLAIMS & ANNUAL SAVINGS (RETAIL CLIENT) **10%** **$1.8M**	**$6.7M** IDENTIFIED ANNUAL SAVINGS FOR A RETAIL CLIENT (+30K OPEN CLAIMS – ADJUSTER EFFECIENCY, IDENTIFIED HIGH-COST CLAIMS & STP)
DIGITAL & DATA RISK TRANSFORMATION	• Digital transformation in the insurance sector has been slow • Adoption of technology has been accelerated by the pandemic • Onboarding new team members, a challenge due to digital inefficiencies	• Flags low-severity claims for STP/Predict • Reduces cycle-times and claims duration • Reduces claims handling frustrations, increases productivity, and enables quick successes from day 1 of a claim occurring	**30%** CLAIMS IDENTIFIED FOR LOW TOUCH, STRAIGHT THROUGH PROCESSING (RETAIL CLIENT)	**$106K** STP SAVINGS ON PROGRAMS WITH + 500 CLAIMS (ADJUSTER SAVINGS PER PROGRAM)

Redhand advisors ASPLUNDH ventiv TECHNOLOGY

Asplundh Tree Expert, LLC

Safety First...It`s Your Life!

Asplundh Tree Expert, LLC – TPA-administers all claims

What we do - Since 1928, Asplundh has been dedicated to safe, efficient and innovative line clearance services to the utility industry. Reliable, uninterrupted power is an important service provided by the world's electrical utilities and Asplundh has the expertise to help keep the power flowing. Diversification over the years has opened up vegetation management services to other specialized markets such as municipalities, railroads, pipelines, and departments of transportation.

Our mission - To be the recognized world leader in providing professional, safe, cost-effective and environmentally sustainable vegetation management and other utility-related services.

- ▶ 95 Years of bringing first-class Infrastructure management to the Utility Industries
- ▶ Asplundh operates and provides services to Utilities across the continental US, Hawaii, Alaska, Canada, Caribbean Islands, Australia, New Zealand and partnerships in the UK
- ▶ Global Employee footprint at 38K+

Annualized Activity

WE RECEIVE
3K
CLAIMS
(WC, GL, AL)

PROCESSED
32K
PAYMENTS
$80+M

PROCESSED
40K Audits, Assessments etc.

IMPORTED
5K
DOCUMENTS

Asplundh Tree Expert, LLC

Business Overview

- Asplundh Risk Management is a Team of 12 remote and non-remote members overseeing the process of Event Reporting, Triage, TPA Administration oversight, Eliason with Field Operations. Team members engage other functions working with Corporate Departments such as: Safety, Legal, Compliance, Fleet, Finance etc. Department is responsible for its own Risk Financing, TCOR Performance, Actuarial Performance and Risk/Safety Analytics

- Asplundh Risk Management in partnership with Ventiv have demonstrated "POC" with real-time case studies the value of Risk Analytics. Asplundh Executive Management understands the concepts of InsurTech's role in improving TCOR and staying as First-in-Class as a preferred vendor of choice by our Clients. Value proposition sells itself….

- The Risk Management Team's goal is to provide our Field Operations with the lowest cost of risk, quick-simple and efficient claim administration, advocating for our injured employees and providing first-class Risk Analytics

Asplundh Tree Expert, LLC

Analytics Journey

- Asplundh Risk Management has been leveraging leading technology analytics services through Ventiv (IRM/RiskConsole) for over 20 years
    - Infancy stages consisted of Quick Search and Advance Query tools developing to static reports/dashboards
    - Evolution of the Advance Analytics process started with IBM Cognos, Data Discovery Platforms, Smart (Digital Forms) and Predictive Analytics

Current Statistical Application/Tools

Risk
- Monte Carlo Simulation
- Actuarial Modeling
- Severity & Frequency Analysis
- Exposure Growth Analysis
- TPA Efficiency Analysis

Safety
- TapRoot Analysis
- Cause-Effect Decision Tree
- Pareto Analysis (80/20 Rule)
- Audits/Assessments (Digital Tool)
- Hierarchy of Controls (Utilization & Modeling)

Asplundh Tree Expert, LLC
Transforming the Business via Advanced Analytics

Business Problem / Use Case

Asplundh TCOR year-over-year increase. Determined due to Claim "Leakage"

Limitation to Solutions

- Covid-19 emerged
- Remote work environment
- Lack of skilled workforce and labor shortage
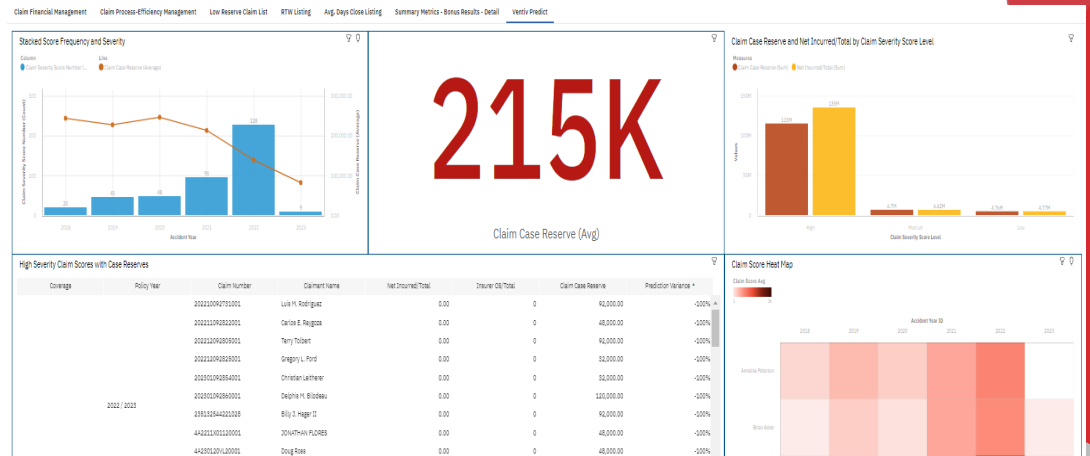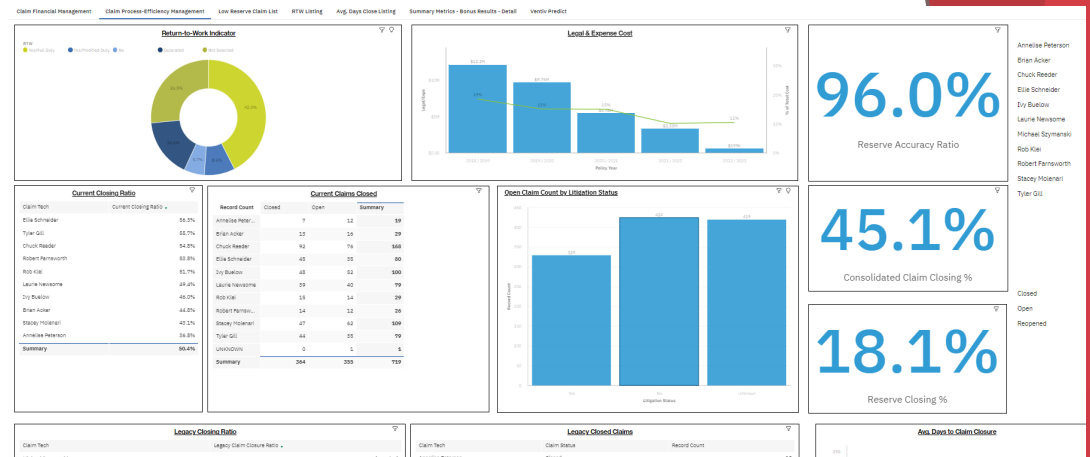
Viable Solution

Ventiv Partnership – "Ventiv Predict Tool"

Tool Leveraging

- Designed and implemented Reserve Prediction Model
- Indicators of Reserve Accuracy Deficiencies
- Bringing low radar claims to the forefront

Results

- Improved Reserve Accuracy
- Improved Closing Ratios
- Improved legacy Case Reserve Closing
- Improved TCOR 10% year one, year two projection 18%

Asplundh Tree Expert, LLC

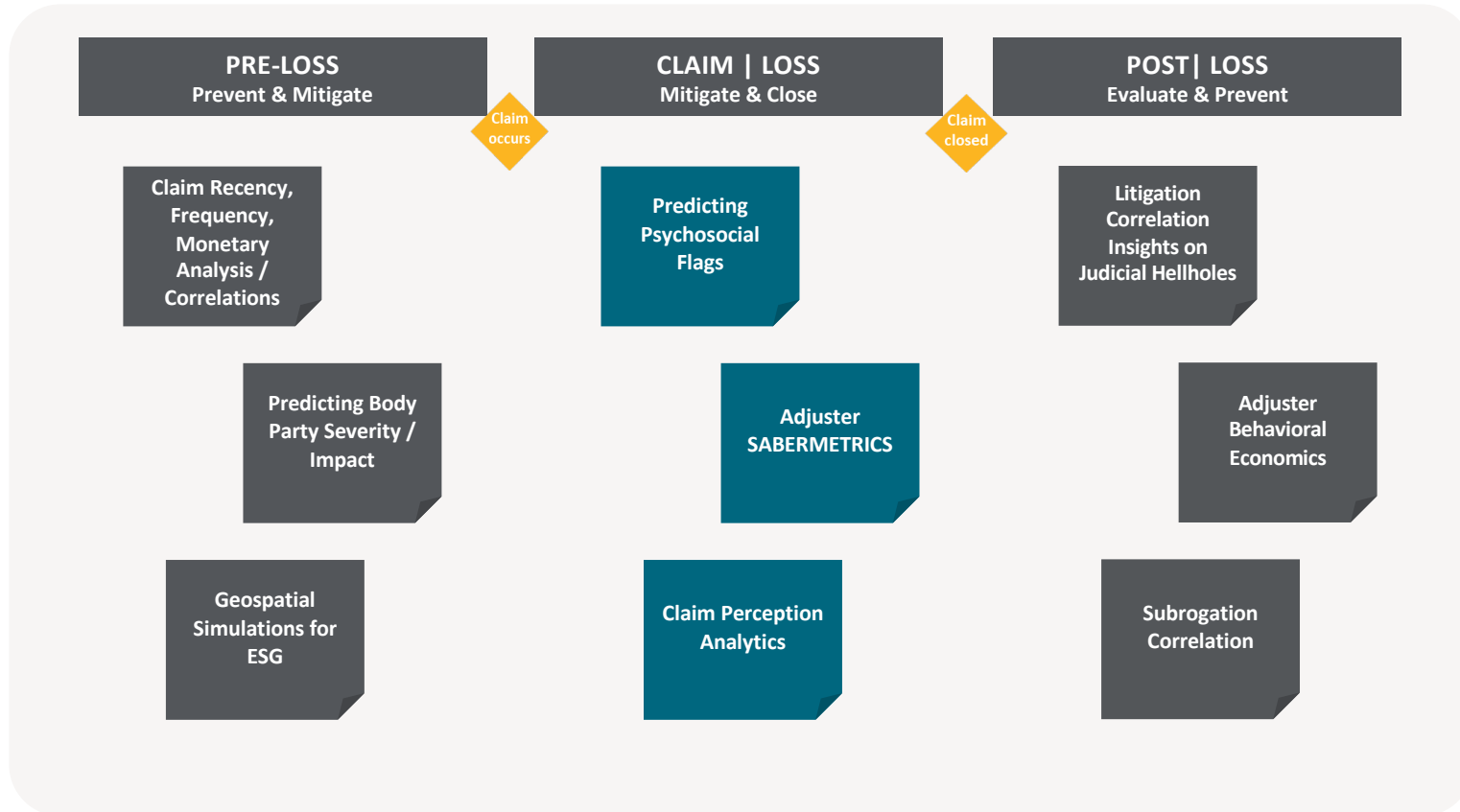Asplundh, the "Double-Down" on Ventiv Predict initiative…..

Road Map
- SIFs (Serious Injuries and/or Fatalities) Frequency Reduction
- Claim Risk Scoring
- Claim Duration
- Sentiment Analysis – TPA Management
- RFM Analysis – Claim Type Frequency, Propensity to repeat and Cost Correlation

Ventiv Decision Analytics

The Next Frontier for Risk & Insurance in Claims Operations (a few examples)

PRE-LOSS	CLAIM	LOSS	POST	LOSS
Prevent & Mitigate	Mitigate & Close	Evaluate & Prevent

Claim occurs

Claim closed

Claim Recency, Frequency, Monetary Analysis / Correlations	Predicting Psychosocial Flags	Litigation Correlation Insights on Judicial Hellholes
Predicting Body Party Severity / Impact	Adjuster SABERMETRICS	Adjuster Behavioral Economics
Geospatial Simulations for ESG	Claim Perception Analytics	Subrogation Correlation

Questions & Answers

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