

CELENT

CLAIMS SYSTEMS VENDORS: NORTH AMERICAN PROPERTY CASUALTY INSURANCE, 2022 EDITION

POWERED BY VENDORMATCH

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Karlynn Carnahan, Donald Light, and Andrew Schwartz

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CONTENTS

Executive Summary	3
Introduction	5
Core Claims Systems: Definition and Functionality	6
Report Methodology	14
Celent’s ABC Vendor View and Technical Capability Matrix	18
Duck Creek Technologies: Duck Creek Claims	21
Concluding Thoughts	42
Leveraging Celent’s Expertise.....	44
Related Celent Research	45
Copyright Notice	46

EXECUTIVE SUMMARY

This report provides an overview of the claims administration systems available in North America for property-casualty insurance carriers. The report profiles 23 core claims solutions and provides an overview of their functionality, customer bases, lines of business supported, technology, implementation, pricing, and support.

This year's winners for claims administration systems in North America are:



Advanced Technology 2022

- Duck Creek Claims



Breadth of Functionality 2022

- Duck Creek Claims



Customer Base and Support 2022

INTRODUCTION

The claims process is the cornerstone of the insurance value proposition. After all, the promise to indemnify a policyholder in a time of need is the reason why the insurance industry exists. The claim, which is the path to indemnification, is not only the costliest part of the insurance process, but it is also one of the only times the policyholder directly connects with the carrier. As such, the claims process can be a powerful determinant of customer experience. The processing and handling of a claim, and the claim payment itself, are the largest components of operational cost and, in turn, a major determinant of underwriting profitability.

A confluence of forces has led to an increased focus on the claims process. Rising external customer expectations for claims speed and accuracy, along with a heightened internal focus on boosting operational efficiency, are two of the driving factors. Carriers' interest in claims is evidenced by Celent's [2022 Property/Casualty CIO Priorities and Pressures](#) survey, where 59% of respondents noted they were currently replacing, beginning replacement, or making significant enhancements to their core claim system.

This report profiles many of the property casualty claims administration systems available in North America today. This report should help insurers define their core systems requirements and, where appropriate, create a shortlist of vendors for evaluation. Expanded claims functionality and improved technology mean that insurers continue to have a wide set of systems and vendors to consider when looking for a solution to fit their needs. Insurers are encouraged to contact the authors of this report through analyst access to learn more about the vendors and solutions.

CORE CLAIMS SYSTEMS: DEFINITION AND FUNCTIONALITY

Definition

A core claims system is a transaction-enabled system of record that an adjuster or claims handler (or an automated process) uses to:

- Gather and process information regarding the underlying policy and coverages, the claim, and the claimant.
- Evaluate and analyze the circumstances of the claim.
- Make decisions and take actions, including payment.
- Execute transactions and preserve a record.

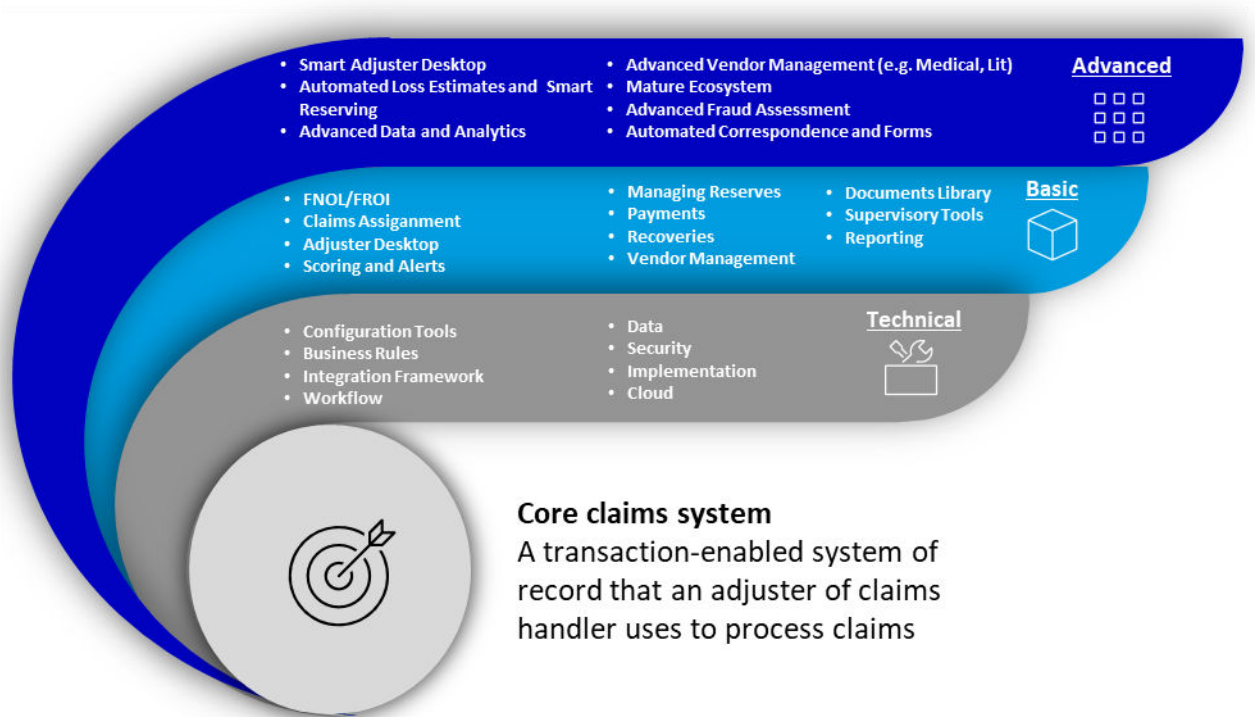
A core claims system does these things over the entire lifecycle of a claim, from first notice of loss through final settlement and closing the active claim file. A claims system typically integrates with policy administration systems to support coverage verification and to provide information back to the underwriter for ongoing decision-making. It integrates to a general ledger and to a disbursement solution or function. Claims systems do not include document creation, document management, reinsurance, and reporting, but typically integrate to those systems. Additionally, claims systems may integrate to a CRM solution, a wide variety of third party data services, and additional third party applications to support capabilities such as estimating, bill review, and analytics. Most solutions also support EDI requirements for FROI/SROI, CMS reporting, or other requirements based on jurisdiction. There is increasing interest in providing claim information back to the policy administration system for use in underwriting renewals.

For the purpose of analyzing solutions, Celent makes the distinction between basic, advanced, and technical functionality, as explained below.

Basic Functionality

All modern core claims systems provide basic functionality for an adjuster’s standard tasks.

Figure 1: Core Claims Systems Layers of Functionality



Source: Celent

First Notice of Loss / First Report of Injury (FNOL/FROI): This is the start of the claims process. The solution typically has a data input mechanism to gather information about the claim. Many solutions provide dynamic questions, allowing for a more streamlined approach to the user interface by presenting only necessary questions. Some solutions provide a sidebar or overlay that includes a script for a claims intake representative to help guide a consistent claims experience. Many solutions can extend the FNOL intake mechanism to a portal with a simplified interface for a claimant. Some also provide mobile intake mechanisms. Integration with a policy administration system allows some coverage verification to occur during the FNOL/FROI. Some solutions use this integration to prefill information for the FNOL/FROI. Some claims solutions allow a carrier to open a claim without a policy in force, while others require the policy to be in force.

Scoring and Alerts: Many solutions are able to handle some type of scoring in the background. Some do this by explicitly identifying claims characteristics and assigning points. When the total points exceed a certain threshold, an alert is created. Alerts are typically used when some kind of special handling is needed, either because of potential fraud or due to the complexity of the claim. This scoring mechanism is often a key aspect of a carrier's operationalization of a predictive model. Solutions that do not have explicit scoring mechanisms can often reach a similar capability by using business rules.

Claims Assignment: While many carriers still assign claims manually, more and more carriers are looking for automated support in the assignment process. Solutions handle claims assignment in a variety of ways. Look for the ability to either assign claims using a round-robin capability or to assign them to specific individuals. Some solutions can assign a claim very granularly based on line of business, claim complexity, geography, and workload. Most systems allow multiple adjusters to be assigned to work on a single claim handling different suffixes or sub claims. Carriers also look for capabilities for manual assignment or reassignment for both bulk transactions and single claims or suffixes/sub claims.

Reserves: All claims solutions provide the capability for setting and changing reserves. Areas of variation include the level of granularity and hierarchy of reserve setting. Typically, those that provide limited levels of reserves do provide more granularity for the actual payments, allowing carriers to analyze spending. Some systems allow automatic reserve setting. Most solutions that support automatic reserves do so using a table. A carrier can pre-identify certain claim types and populate a table with the reserve type and amount. Some solutions can calculate a reserve dynamically using business rules based on specific claim characteristics. Look for the ability to not only change the total reserve amount, but also to add a specific reserve change amount (e.g., either add \$5,000 to the current reserve or change the total reserve to \$25,000). Some solutions do a nice job of aggregate tracking to monitor the erosion of policy limits. Many, but not all, also include deductible tracking for both small deductibles and self-insured retentions. For workers' compensation, look for tools that tie reserves to jurisdictional rate and wage calculations. Some solutions include reserve worksheets that assist adjusters in calculating the appropriate reserve.

Payments: All claims solutions are able to create payments. However, there is wide variation in the functionality across solutions. Typically, the payment functionality includes an authority verification, confirmation against reserve limits, and integration to a third party payments module to print checks. Some are tightly linked to the reserve process and allow reserves to be changed at the same time the payment is being made. Others require that the adjuster exit the payment process, increase the reserve, and then return to issue the payment. Many, but not all, solutions support split payments, multiparty payments, and recurring payments. Those with recurring payments may allow temporary payment suspension, make it easy to change payment dates, and automatically run holiday calculations. Some solutions allow bulk payments if that

preference is specified at the vendor level. Others handle bulk payments by requiring that each payment be manually marked as bulk. Some solutions allow payments, such as expenses, to be made against closed claims, while others do not support this functionality.

Recoveries: Subrogation and salvage are functions performed by all carriers. However, there is wide variation in how software solutions handle these functions. Some solutions have specific modules with separate screens, workflows, calendaring, and even analytical tools to help score and evaluate demand strategies and percent at fault. Other solutions assume the carrier will set up subrogation as a separate set of workflows within the existing functionality. Some solutions permit reserving for recoveries, while others allow the carrier to set up an expected recovery without actually hitting the reserves. Some solutions provide none of the above.

Vendor Management: All solutions allow carriers to track contact information for vendors, and most also include tracking for banking information and 1099 data. Some solutions also include scoring mechanisms to rate and rank vendors. Some include integration to vendor scheduling tools to allow a claims intake coordinator to identify nearby vendors and schedule services at the time of FNOL. Some solutions include readymade portals through which vendors can manage their own information, and some allow vendors to manage their own payments.

Adjuster Desktop: A wide variety of tools are available to help the adjuster manage their workload. Adjuster desktops typically include an area where open claims and assigned tasks are easily found. User interfaces can vary widely but often include features such as the ability to sort by clicking on columns, to filter columns, and to drag and drop and rearrange columns. All solutions include search, but some include sounds-like search, partial word search, Boolean search, or wildcards. Most systems allow adjusters to create manual diaries, tasks, and notes. Many are integrated with email, allowing an adjuster to send an email from the desktop. Many include a claim summary that contains the most important information about a claim and is available at a glance from any location within the claim. Some solutions allow the adjuster to customize their own workspace by choosing which modules they want displayed, selecting a color scheme, or adding links to commonly used third party websites. Other capabilities like configurable help text, hover-overs, and wizards can help an adjuster easily navigate through various tasks.

Document Creation and Management: Most of the solutions include some sort of correspondence or forms library for the most common letters and forms. Some also contain document management capability for storing internally generated documents or external documents such as photos, videos, and other media. Some integrate with third party solutions to provide additional capabilities. Many systems can automatically generate correspondence or forms using business rules and task generation capabilities. When an event occurs, or the data within a field changes, the solution can automatically create correspondence that can often be delivered using a variety of mechanisms including mail, email, and SMS. Look for the level of granularity in indexing forms being created. When a claim file holds hundreds of items, being able to rapidly sort to find the document needed can save time. Look for the ability to search not only through the metadata about the document, but within the document itself.

Supervisory Management Tools: Claims supervisors look for a variety of capabilities to effectively manage the claims department. Some solutions allow for easy reassignment of work, including individual tasks, individual claims, and bulk changes. Look for the data-driven capabilities that allow a supervisor to preschedule these changes, as some solutions permit only immediate changes. Some solutions allow for temporary reassignments with start and finish dates for events like vacations. Look for the ability to easily add new employees and to set and manage authority. Also look for automated

escalation procedures to route claims easily when additional authority is needed. Workload balancing tools are built into the claims assignment routines for some solutions. For others, reports allow supervisors to get a picture of employees' workloads and key performance indicators. Most solutions include data and time stamps for logging audit trails.

Reporting: Reporting capabilities vary widely across solutions. Virtually all solutions integrate with a third party reporting tool. Some include a third party reporting tool out of the box with the solution. Some solutions use open source reporting tools, and some have in-house solutions. Most include some level of prebuilt standard reports that can be subscribed to or scheduled. Standard reports typically deliver operational reports, performance measures, and some level of financial reporting. Look for the number of reports included out of the box. Ad hoc capabilities vary widely. Some are quite easy to use, with the ability to drag and drop data elements and build a report very simply. Many include dashboards with graphical views of data, and many of those include drilldown capabilities. Some vendors also provide tools for directing claim data to data stores (typically at an additional cost).

Advanced Functionality

In addition to the basic functionality provided by virtually all solutions, carriers often need advanced functionality depending on the complexity of their business, the lines of business they write, or the geographies they write in.

Catastrophe Management: All carriers are vulnerable to a wide variety of catastrophes. Varying levels of support are available. Some solutions support cat management by running reports to identify claims that are likely to be part of a catastrophe. Some support manual tagging of a claim as a cat claim. Some solutions automate the process by allowing carriers to define catastrophes by peril(s), LOB(s), geography, date, or other criteria. The solution can then automatically tag claims that meet those criteria as potential cat claims. Some have geographic mapping of the claim available, typically through integration with Google or Bing maps. Look for the ability to mark a cat with an ISO claim number or to create a carrier-specific number and convert to an ISO claim number if needed.

Reinsurance: Like catastrophe management, systems handle reinsurance in a variety of ways. Most assume the carrier will run a report identifying claims subject to reinsurance by specifying a limit or peril. Some allow an adjuster to mark a claim as subject to reinsurance. Occasionally, a solution will provide more ability to define reinsurance contracts and identify claims subject to reinsurance. Tasks related to managing reinsurance, such as notifications and required communications at certain points in a claim, can be handled using business rules and task generation.

Workers' Compensation Rehabilitation Management: Functionality specific to workers' compensation is not available in every solution. Those that handle workers' compensation are more likely to have modules to manage the return to work and rehabilitation programs. These solutions may include features such as the ability to calculate recovery dates as well as integration with industry standard duration guidelines and templates for return-to-work plans, including three-point contact.

Medical Case Management: Systems that handle workers' compensation are more likely to have robust medical case management tools with features such as diagnosis tracking, medical records, and the ability to create treatment or action plans. Some allow external parties such as nurse case managers to access the claim. Some feature capabilities such as utilization management, service authorization tools, and bill review—or integration

with an insurer's managed care networks (for medical, rehabilitation, drugs, and the like) and bill review solutions. Solutions that do not specialize in workers' compensation may still capture injury and medical treatment details. Many support ICD9 and ICD10. CMS reporting is also included in a number of solutions.

Litigation Management: Most solutions offer the ability to mark claims that are in litigation. Some solutions also offer specific litigation management modules, which may include a separate workspace with a separate set of roles and permissions. These modules can be quite robust, with the ability to keep a record of the litigation process, statutory dates, venues, demands and offers, and even calculation of potential outcomes. Other key litigation features to look for include the ability to configure separate workflows and separate permissions and roles, as well as the ability to easily index large numbers of documents. Some solutions also include bill review tools that allow the carrier to electronically receive, review, modify, and pay legal invoices.

Fraud: Few solutions have robust fraud analytic tools built in, although most can integrate with third party solutions. Generally, claims systems handle fraud by using scoring mechanisms, automated alerts, and workflow processing that can route claims to a special investigation unit.

Mobile/Multichannel Access: Almost all solutions are browser-based and available via a tablet or mobile device for an adjuster in the field. More and more have been optimized for mobile devices using HTML5 or responsive design. Many solutions include some level of role-based security that allows separate access and modified user interfaces to be exposed via a portal to an agent or claimant. Some solutions come with mobile applications out of the box that allow a potential claimant to provide their First Notice of Loss through simplified interview questions or wizards and the ability to upload photos.

Technical Functionality

While the assessment of features and functionality is a critical step in selecting a claims system, there are a number of technical considerations to be thought through as well.

Configuration Tools: A general trend in insurance software is to create tools that allow carriers to modify the system through configuration tools rather than through code. The most robust tools allow carriers to easily add data elements, create business rules, modify workflows, create forms, create screens, and modify the user interface, all using configuration tools. Some tools are extremely intuitive, with drag-and-drop and point-and-click capabilities. Others require knowledge of a scripting language to make the changes. Many vendors are moving toward a dual development environment with simplified tools and wizards meant for Business Analysts to make general changes and a more robust environment for technical staff to use.

Business Rules: Look for the ability to design and execute business rules and underwriting rules that are separate from the core program code. Carriers should assess the ability to reuse and share rules. Some tools are extremely intuitive and use natural language; others require knowledge of scripting or programming languages. Some have visualization tools that allow a carrier to use a Visio-like tool to build business rules. Some solutions include a searchable and version-controlled rules repository. A few solutions offer tools to help carriers conduct impact analysis of the rules, or traceability tools to help them understand how and when rules are being used. Since many carriers create hundreds or thousands of rules, there should be a strong rules management environment with a well-organized repository, version control and version storage, etc.

Integration: Claims systems integrate with a large number of third party systems and external data sources. Most solutions have been designed with a service-oriented architecture and have a variety of ways of handling integration, with many settling on the use of RESTful APIs as the common standard. Most systems have some kind of accelerator or have experience integrating with the most common third party data sources and the most common document systems. Claims systems, however, integrate with a wide variety of other solution types—medical bill review, fraud analytics, EDI, estimating systems, and payment systems, to name a few. With the rise of insurtech, new data platforms and fast integration capability will be a deciding factor in insurers' agility.

Workflow: Some solutions serve more as data capture tools. Workflow is sometimes expressed by flows within a screen or among screens. Other solutions have true workflow capabilities that allow them to automatically generate and assign tasks based on event changes in a claim, time lapse, or data changes in a field. Some of the solutions profiled have a graphic design environment with automated background code generation. This means graphical depictions are actionable; clicking on a step allows the carrier to modify that step, or steps can be dragged and dropped to rearrange the sequencing. It is not uncommon for a software vendor to use a third party or open source tool to manage the workflow requirements.

Data: Data is more and more important for carriers, and software vendors are acknowledging this by building in more tools to help carriers with their data needs. Some solutions deliver a certain number of extra fields that users can modify for their own use. More common are configuration tools that allow the easy creation of data elements, including the ability to mask data, encrypt data, add context-specific help text, and modify the data model. Self-documenting data dictionaries are available. Some solutions come with an ODS out of the box and may even include a data warehouse with the appropriate ETL tools. Most solutions are built on an industry standard model, such as ACORD.

Release Management: Some solutions include workflow capabilities to handle the release management within the claims system. Some feature full ticket management. Look for the ability to package a group of changes or filings together that you can manage as a release, as well as the ability to assign and track the work packets. Multi-tenant cloud deployment can enable seamless updates.

Security: Security is of critical importance. Ask about the security standards the vendor complies with and which certification and assurance methods are used. Look at how the system handles security for managing APIs for application-level integration. Any claim system's payment functionality should be PCI compliant. Look at which authentication capabilities the system leverages for internal and external users. A broad range of capabilities are available, from one-time passwords to security tokens/PINS, multifactor authentication, federated identity support, and even biometric security support. With regard to cybersecurity, look for whether the software has penetration security and how the system has been tested.

Integration: Core claim systems often integrate to large numbers of third party systems and external data sources. Most solutions have been designed with a service-oriented architecture and have a variety of ways of handling integration, with many settling on the use of APIs as the common standard. Most systems have some kind of accelerator or experience integrating to the most common third party data sources. With the rise of insurtechs, new data platforms, and the position of claims as a participant in a wider ecosystem, fast integration capability will be a deciding factor in insurers' agility. Look for whether the solution provider has existing partnerships with claims point solutions that enable seamless integration with the core claim system.

Implementation: Vendors use a wide variety of implementation methodologies. Some prefer to handle all the implementation themselves. Others prefer to work with third party system integrators. More and more vendors are moving to agile or a hybrid methodology. Look to see what methodology the vendor uses and how it aligns with your own preferred approach. Some vendors are very good at helping insurers transition to an agile methodology. Look for the artifacts they have available for gathering requirements, documenting product architecture, and capturing business rules. Vendors claiming very fast implementation timeframes may indeed have better artifacts and more configurable solutions, or they may be touting very simple single-product implementation with little or no configuration. Be sure to do customer reference checks to understand how well the vendor handles project management, knowledge transfer, and scope creep with insurers of a similar size and complexity as your company.

Cloud: Cloud-enabled solutions are on the rise, with most of the responding vendors reporting that they have cloud-enabled core systems. When it comes to the term “cloud,” there are many different variations available. Many vendors offer a hosted version of their software. The software is licensed by the carrier and is hosted by the vendor in its own data center or in a private data center like Rackspace. Increasingly, software is being hosted in a public data center like AWS or Microsoft Azure. Look for the level of managed services available if you are interested in this option. Additionally, look to see if the solution includes cloud native features such as dynamic scaling or AI/machine learning modules. AWS, Microsoft, and other cloud vendors often include additional support to help insurers ensure they are using cloud capabilities reliably and efficiently while finding smart ways to manage the costs.

Suite Capabilities

Celent has limited the definition of a claims administration system to include a set of core processes and key supporting capabilities. However, vendors do not necessarily limit their definitions in the same way, and many have attempted to build out some or all of the end-to-end components that an insurer might need. Some insurers are just looking for a best-of-class claims system to work with other core systems already installed, but others may be looking for a vendor that can offer broad solutions for multiple areas of their insurance operations.

In order to help insurers compare the different solutions, each profile in this report has a table summarizing whether the vendor offers one or more of the end-to-end components.

REPORT METHODOLOGY

In this report, Celent's objective is to include as many as possible of the leading claims administration systems being used or actively sold to insurers in North America. Celent actively reviews vendor systems in the insurance software market and invites the vendors to participate in reports like these.

Criteria for Inclusion

Celent actively reviews vendor systems in the insurance software market. Some solutions qualified for profiles that include customer references and a Celent opinion of the solution. These solutions are also ranked in the ABC analysis.

Celent's ABC analysis is used to highlight vendors that have attained success selling their systems in the North American market. In general, in order to have a full profile and be included in the ABC grid, a claims administration solution had to have:

- At least one new sale to one new customer in the region within the last 24 months.
- At least three live customers per region, at least one of which must be an insurer.
- Participation by at least three reference customers.
- A 90-minute solution demonstration.

There are 16 solutions that meet these criteria and are included in this report with ABC profiles.

Celent also profiles a number of other solutions. Solutions that did not qualify to be ranked in the ABC analysis do not include a customer reference or a Celent opinion.

It is important to note that the information available in this report is also available in Celent's online resource, VendorMatch. In addition to this report, Celent also suggests reviewing VendorMatch information, which may be more current.

About the Profiles

Each profile is structured the same way. Profiles present information about the vendor and its claims administration system offerings, its geographic presence, and its client base. Charts are used to provide more detailed information about specific features such as lines of business supported, technology, and partnerships.

The profiles are presented in alphabetical order.

Limitations

Celent believes that this study provides valuable insights into current offerings in claims administration solutions. However, readers are encouraged to consider these results in the following context: The vendors self-reported. Participants in the study were asked to indicate which claims administration capabilities were provided in addition to providing generic information about their client base. Celent did not confirm the details provided by the participants.

Evaluation Process

To analyze the capabilities of claims administration solutions that are active in the insurance marketplace, Celent sent an invitation to participate in this year's report to a broad set of claims vendors. There was no cost for vendors to participate.

Each participating vendor completed an online RFI in Celent's VendorMatch/RFX platform. The RFI requested information about the features provided in the solution, the technology and architecture, the current client base, the pricing models, and the vendor itself. RFIs were completed on 24 products for North America.

After Celent received completed RFIs from the vendors, each vendor was evaluated for meeting the criteria for inclusion in the ABC analysis. Those vendors that qualified for Celent's ABC evaluation provided a briefing and demo for Celent focusing on usability and functionality for everyday users, product and rules configurability for IT and system administration users, and the overall architecture of the system.

Celent also asked references provided by each vendor in the ABC analysis to complete an online survey to obtain their view of the system's business and technology value.

The RFIs, the demos/briefings, and the reference surveys provided quantitative and qualitative data that was used in the ABC analysis of these vendors. This process is described in the next section.

Vendors had an opportunity to review their profiles for factual accuracy and to provide their own perspectives but were not permitted to influence the evaluation.

Some of the vendors profiled in this report are Celent clients, and some are not. No preference was given to Celent clients for either inclusion in the report or in the subsequent evaluations.

Celent used its unique VendorMatch platform to gather RFI data from each vendor. VendorMatch is the world's largest vendor and solutions data store—combined with analytical tools—to help financial institutions find, evaluate, and select a solution. Each profile contains a link to the solution's VendorMatch profile.

The RFI for this market research gathered information across multiple dimensions, including:

- Company information
- Product overview
- Specific information about the vendor and the system—including, among others:
 - *Functionality*
 - *Technology*
 - *Implementation and support*
 - *Commercial terms*

– *Customer base*

As part of the VendorMatch RFI process, Celent gathered much more information about each solution than is reflected in this report. Subscription clients can leverage analyst access to connect with the author and learn more about the vendors. They can also use Celent's VendorMatch platform to review a vendor's online company and product profiles. Since the online database can be updated at any time, the online data may be more current than this report.

Customer Reference Feedback

Celent used an online survey tool to gather feedback from client references provided by each vendor. The survey asked about client views of the solution's business and technology value and assessed the vendor's customer service. The survey also asked each client what it liked best about the vendor they use and asked for suggestions for improvement. Anonymous results of the client surveys are reflected in the profiles, including a diagram that displays the average ratings given to the vendor in six categories. It is advisable to keep in mind that the evaluations and comments may vary according to the specific needs of each reference client.

Table 1: Customer Feedback Ratings

Questions Asked	Rating Included in the Average
Functionality <i>How would you rate the features and functions you are currently using?</i>	– First Notice of Loss (FNOL) / First Report of Injury (FROI)
	– Adjuster's desktop/workstation
	– Reserving
	– Making and managing payments
	– Workflow/task generation
	– Notes, diaries, calendaring
	– Document generation and management
	– Medical case management / disability management
	– Multi-Channel capabilities (e.g., portal, mobile)
	– Supervisory Tools (e.g., ability to assign work, vacation rules)
	– Managing Suppliers (e.g., vehicle repair, building contractors, medical/rehab providers)
– Reporting, business intelligence	
– Statistical reporting (e.g., ISO)	
Technology <i>How would you rate the technology of this solution in the following areas?</i>	– Ease of system maintenance
	– Flexibility of data model
	– Configurability
	– Ease of integration with internal and external data/systems
	– Vendor's timing in improving technical performance through new releases and fixes
Integrations	– Internal core applications, such as policy admin or reinsurance
	– Other internal applications, such as reporting, documents, or financial systems
	– Internal data sources, such as a data warehouse

Questions Asked	Rating Included in the Average
<i>What has been your experience integrating this system with the following components?</i>	<ul style="list-style-type: none"> – External applications and data sources
Upgrades <i>How would you rate upgrades of this system?</i>	<ul style="list-style-type: none"> – Ease of the overall upgrade – Speed of the upgrade – Cost of the upgrade
Implementation <i>How would you rate the implementation experience with this vendor in the following areas?</i>	<ul style="list-style-type: none"> – Responsiveness (handling of issue resolution) – Project management (estimations, scope creep, etc.) – Implementation completed on time – Implementation completed on budget – Knowledge of your business – Knowledge of their solution and relevant technology – Continuity with the implementation team—did the core team stay engaged through to implementation? – Overall project success
Support <i>How would you rate this vendor’s ongoing post-implementation support in the following areas?</i>	<ul style="list-style-type: none"> – Timeliness of responses to service requests – Quality of response to service requests – Cost of services – Knowledge of your business – Knowledge of their solution and relevant technology – Communication—proactive communication of issues and changes – Consistency in meeting SLAs – Roadmap delivery

Source: Celent

CELENT’S ABC VENDOR VIEW



To help financial institutions better understand the vendor landscape and compare providers, Celent developed its ABC methodology, which positions vendors across three dimensions:

- Advanced Technology
- Breadth of Functionality
- Customer Base and Support

While this is a standard tool that Celent uses across vendor reports in many different areas, each report will define the ABC categories slightly differently. The final rating is determined by Celent’s and customers’ score of these factors, when appropriate, as well as Celent’s view of the relative importance of the factors as they apply to both the solution and vendor’s capabilities.

Table 1: Examples of Factors Used in Celent Claims Administration System ABC Evaluation

ABC Categories	Possible Factors
Advanced Technology	<ul style="list-style-type: none"> – Customer feedback on technology, integration, and APIs – Configurability and upgrades – Code, databases, operating systems detail – Integration – Methods, services, and APIs – Deployment options – Change tooling – Upgrade automation
Breadth of Functionality	<ul style="list-style-type: none"> – Customer feedback on features and functions – Overall support of components and features – Product support and in production

ABC Categories	Possible Factors
Customer Base and Support	<ul style="list-style-type: none"> – Number of insurers running the system – New insurance clients won in the last two years – Number of countries where the system is implemented – Client feedback on implementation and post-implementation services – Vendor’s partners network

Source: Celent

Additional Considerations

Celent recognizes that the strength of any claims administration platform is somewhat dependent on an insurance company’s needs and business. A solution ranked low in Celent’s rankings may be a perfect fit for a number of insurers for various reasons: price, business-specific functionality, target customer base, existing technology environments, etc. For this reason, these rankings are purely the opinion of Celent. Insurers should use them in the context of their own specific situations. Additionally:

- Celent’s ABC methodology uses a normalized scale. In some cases, this can exaggerate quantitative differences. Its purpose is to make the graph easier to read.
- A vendor’s suitability comes down to the institution’s needs compared to the insight offered by this analysis.
- Vendors in this analysis include Celent subscribers and nonsubscribers. We make no distinction between how either is presented, nor does it affect our ratings.

ABC Vendor View

The Celent ABC Vendor View shows the relative position of each claims administration system evaluated. Each vendor solution is positioned relative to others in the analysis. Within this framework, the top performers in each ABC dimension receive a corresponding **X CELENT** award.

The **X CELENT** award winners are:



- Duck Creek Claims

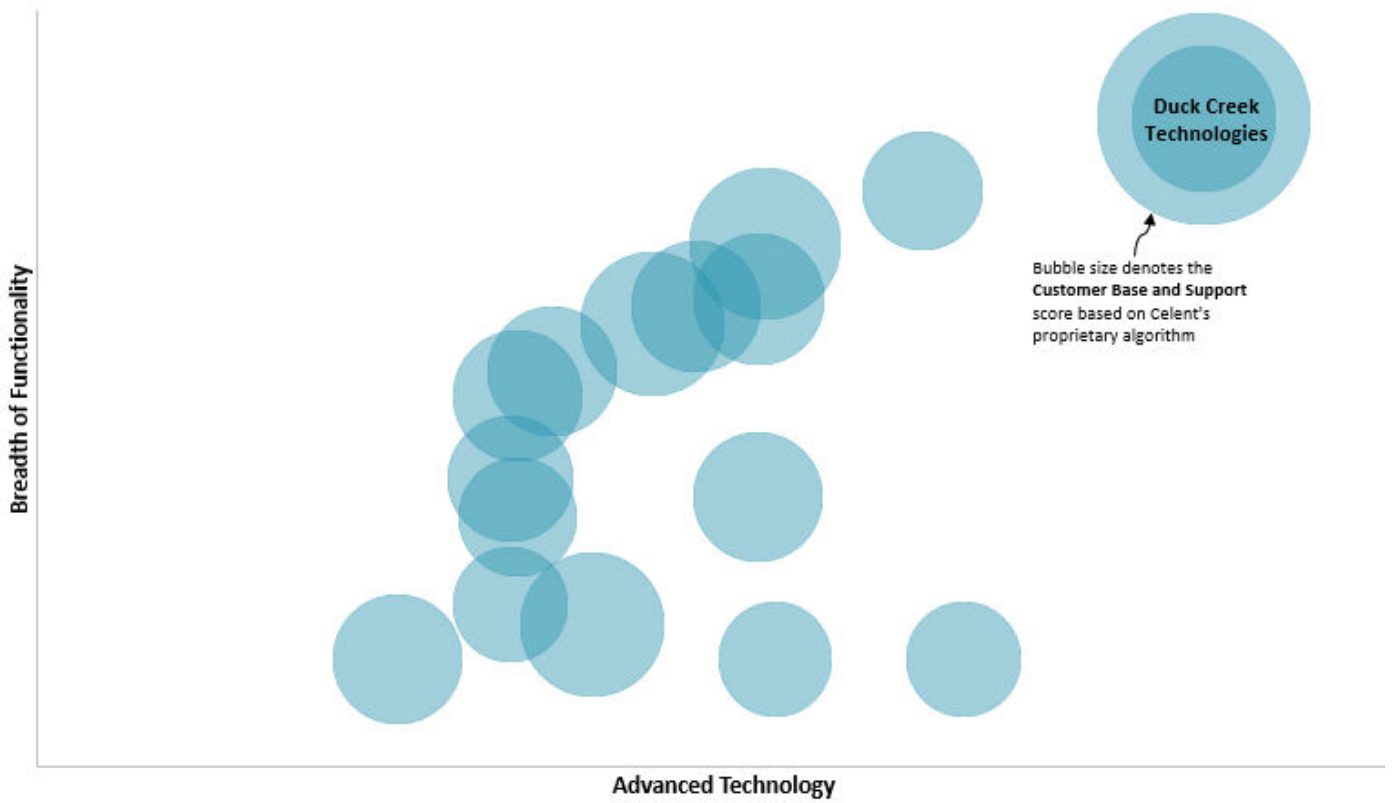


- Duck Creek Claims



Figure 1 below displays the relative scoring of each solution, with Advanced Technology on the horizontal axis and Breadth of Functionality on the vertical axis. The bubble size for each vendor represents the third dimension, Customer Base and Support.

Figure 1: Celent ABC Vendor View for North American Claims Administration Systems



Source: Celent

DUCK CREEK TECHNOLOGIES: DUCK CREEK CLAIMS



Advanced Technology 2022



Breadth of Functionality 2022

Duck Creek Technologies is a public company with sales and professional services personnel located throughout the North America, Europe, and Asia-Pacific regions. The company has 1,660+ employees, of whom 640 are available to provide professional services/client support for their Duck Creek Claims solution. There are 320 employees physically located in North America.

Duck Creek Technologies' spend on R&D over the past two years as a percentage of total revenue attributed to the solution is 20%. The vendor offers an annual user conference or customer event.

The vendor states they have had no legal issues or bankruptcy issues.

Company

Table 1: Company Snapshot

Year Founded	2000
Number of Employees	1,660+
Revenues (USD)	\$211M Product Revenue: They do not disclose revenue by product.
Financial Structure	Public company (NASDAQ:DCT)

Source: Vendor RFI

Table 1: Product Snapshot

Name	Duck Creek Claims
Year Originally Released	1997/1998
Current Release and Date of Release	Duck Creek Claims v12/2020
Upgrades	Client can skip multiple versions (e.g., go directly from version 4.0 to version 7.0). They support current versions and more than two prior but not all versions.
Target Market	Their software is capable of serving all P&C Insurance carriers in all tiers and all geographies, although they focus primarily on

	carriers with DWP >= \$100M USD. Their software supports the standard P&C lines out of the box, but also meets the more complex requirements of specialty and non-standard carriers.
Installed Base	<p><u>North America</u>: 31</p> <p><u>EMEA</u>: 7</p> <p><u>APAC</u>: 0</p> <p><u>LATAM</u>: 0</p>
Notable Clients	Anchor General Insurance Group, Berkshire Hathaway Specialty Insurance, Chubb Group of Insurance Companies
Source: Vendor RFI	

Celent Opinion

Duck Creek continues to invest in functionality, and with its movement to the cloud through Duck Creek OnDemand, they’re building cloud-native features into the product.

To support navigation, the product has a claims overview with a navigation tree that includes wizards for the user (e.g., “I want to change a reserve”) and portlets to easily access common areas such as notes and documents or to see info about the claim, including any reserves. Scripting is built in for a CSR to assure a consistent customer experience during the FNOL.

Functionality is quite strong, and includes some unique features such as a discrepancy report to easily identify areas within the claim that still need action. FNOL/FROI/SROI also includes data validation and error reporting. The solution tracks aggregate limits and deductibles. It’s integrated to ODG as well as a wide variety of other external third parties such as gradient.ai for severity scoring. It supports all lines of business and includes features such as recurring payments, lien handling, bulk payments, and consolidated payments.

The solution boasts a configuration environment that enables an insurer to become fully self-sufficient and permits moving many tasks from developers to BAs or business users. Claims Studio is meant for developers as well as business analysts and other business users. It includes out-of-the-box wizards for performing the most common tasks with a user-friendly tool. It also includes the technical capabilities that a developer will value to create and manage rules, govern the behavior of fields on a page, and control workflows.

The solution supports most lines of business and is in production with some very large insurers, demonstrating scalability at the highest level. The solution is increasingly using some of the key features of Azure, and Duck Creek continues to expand their menu of cloud-based services, making this a nice solution for those who are looking for full-cloud deployments.

Overview

The vendor states that:

Duck Creek Claims enables P&C carriers to make faster, smarter claims handling decisions and improve the ways they support and reassure customers in an era of

increasing automation and personalization. Duck Creek Claims provides the processes and tools to support end-to-end claims lifecycles for increasing the efficiency of claims operations, improving customer satisfaction, and reducing loss costs.

Key features include:

- **Business process automation** – Duck Creek Claims enables carriers to implement straight-through processing with rules-driven automation so that claims handlers can focus on claim outcomes.
- **Workflow Management** – Duck Creek Claims offers dynamically-guided workflows, automated task assignments and notifications, personalized user interfaces, and team planning tools to streamline work that is strategically kept in the hands of skilled employees.
- **Low-code configuration tools** – To further accelerate change, they empower business users to create a test-and-learn culture and manage the claims lifecycle with minimum support from IT by using low-code configuration tools. The ability to define the management activities that automate claims assignments, drive workflows, modify screens, generate tasks, automatically create correspondence, initiate system integration requests, and more are in the hands of the business users—without the need to change the underlying source code.
- **Data analytics and reporting** – Duck Creek Insights offers data and reports to deliver operational reports and enable ad hoc analysis.
- **Omnichannel enablement** – Duck Creek Claims can be exposed to any channel via APIs to incorporate analytics and third party data, or enable customers and agents to engage with carriers on mobile, desktop, and through the carrier’s proprietary user interfaces.

Key benefits include:

- **Increased customer satisfaction and retention** – Customers who feel their claim is handled fairly and on time are more likely to be satisfied and renew. With Duck Creek Claims, carriers can deliver personalized, transparent, and effective communications with policy holders via their preferred channels that reassure them during stressful times and reinforce their beliefs that their claim was handled with care.
- **Improved operational efficiencies** – Through automation, standardization, and integration, Duck Creek Claims allows adjusters and processors to process claims faster, access the right information at the right time, and effectively guide customers through the claims lifecycle.
- **Improved claim outcomes** – Duck Creek Claims improves claims handling accuracy, leading to less leakage, as decision-making will be better informed in areas such as fraud detection, reserves setting, damage estimation, and coverage or benefits review.

Overall Functionality

Duck Creek Technologies offers the following modules in their core system application suite. Each module has been integrated with claims. Duck Creek Claims is available on a standalone basis.

Table 3: Suite Availability

Suite	Availability
-------	--------------

Policy Administration	✓
Billing	☐
CRM	✓
Reinsurance	☐
Rating Engine	☐
Digital Tools	✓
Distribution Management	☐
Business Intelligence	✓
ETL Tools	✓
Data Hub	✓
Data Warehouse	✓

Legend: ✓ =Integrated into Claims Module; ☐ = Separate Module available from this vendor; ⊕ = Through a formal partnership with another vendor; ✕ = Not available

Source: Vendor RFI

Figure 1 shows Duck Creek Claims’ functionality and production status of key features for claims administration systems.

Figure 1: Key Functionality

Function	In Production with Clients	Supported, but Not in Production with Clients	Not Supported
Desktop			
User desktop/workbench	●		
Claims overview	●		
Data Services			
Upload ACORD or FNOL	●		
Integration and prefill with third party data	●		
Documents			
Includes a correspondence and forms library	●		
Can attach documents, emails, phone calls, or notes	●		
Includes a content repository and document management	●		
Notes			
Includes a notes facility	●		
Ability to search text within notes and diaries	●		
Other			
E-signature	●		
Consumer portal	●		
Agent portal	●		
Supervisory Tools			
Escalation based on authority	●		
Dashboard to manage employee’s workload	●		
Underwriter/Adjuster Assignment			
Automated underwriter assignment	●		
Out of office /vacation rules	●		
Workflow			
Automatic task generation	●		
FNOL/FROI			
Ability to consume FNOL from multiple sources	●		

Supports submission of additional attachments	●
Can use party's preferred communication method	●
Location-based guidance at time of FNOL	●
Injury Management	
Track utilization review and recertification	●
Can create, document, and track special programs such as return to work	●
Claim Investigation	
Provides capability for adjuster to explain any coverage exclusion or endorsements that apply	●
Can display alerts	●
Can document the case strategy	●
Add data fields for investigation details	●
Automatic ordering of third party data	●
Reserving	
Ability to specify automatic default initial reserves based on business rules	●
Multiple levels of reserve categories	●
Aggregate tracking (erosion of policy limits)	●
Deductible tracking	●
Payments	
Recurring payments	●
Multiple pay parties (e.g., garnishments)	●
Subrogation and Recoveries	
Separate tasks, workflow, diaries, and business rules for subrogated cases	●
Fraud	
Workflows specific to fraud and special investigations	●
Litigation Management	
Separate tasks, workflow, diaries, and business rules for litigated cases	●
Vendor Management	
Vendor management tools	●
Reinsurance	
Manually tag a claim when reinsurance applies	●
Automatically identify claims subject to reinsurance	●
Catastrophe	
Ability to define catastrophes (by peril, geography, date, or other criteria)	●
Automatic identification of cat claims	●
Additional LOB Functionality	
Functionality specific to auto insurance	●
Functionality specific to property insurance	●
Functionality specific to liability insurance	●
Functionality specific to workers compensation insurance	●
TPA	
Ability to track hours/activities	●
Ability to manage different fee schedules	●
Support for Lloyd's Claims Processes	
Support for the Electronic Claims File (ECF2)	●
Support for ECF Write Back	●

- | | | |
|---|---|---|
| ● = Available out of the box | ● = Configurable through a scripting language/coding | ● = Under development / On road map |
| ● = Configurable using simple tools for business user | ● = Available with integration to a third-party solution | ● = Could develop—would be considered customization |
| ● = Configurable using simple tools for IT user | ● = Available with integration to a separate module provided by this vendor | ● = Not available / Not applicable |

Source: Vendor RFI

Reporting Features

The vendor's reporting solution, Duck Creek Insights, is available as part of the full Duck Creek Suite or standalone. Carriers can:

- Gather data from across internal operations (rating, policy, claims, and billing), legacy systems, and external sources.
- Manage and curate data to attain and sustain high-quality, relevant information across their entire organizations.
- Create and propagate data changes quickly through codeless configuration.
- Support business reporting needs across core operations.
- Drive advanced analytics and AI/ML endeavors.
- Take intelligent actions to achieve profitable growth and customer satisfaction goals.

Graphical reporting tools (charts, graphs, etc.) and report scheduling are available. Duck Creek Technologies provides the following report types: ad hoc, predefined reports, customized reporting, historical as of reporting, real time reporting, period end reporting.

Internationalization

Duck Creek Claims can support multiple currencies, with British Pound Sterling (GBP), Canadian Dollar (CAD), Euro (EUR), and US Dollar (USD) currently in production. Duck Creek Technologies can support multiple languages. Duck Creek Claims supports the usage of multiple languages concurrently, including those that require double-byte character sets. The default language displayed is based on the individual user's profile setting and can be switched through the user's homepage depending on their authorization level. US and UK English are supported out of the box.

Duck Creek Claims is in production in over 73 countries in one given implementation, all on a single instance of the software. The claims system supports a flexible geographic structure which allows multiple regional, country, and customer-specific processes to be configured and utilized without the need to modify the core software. Examples include:

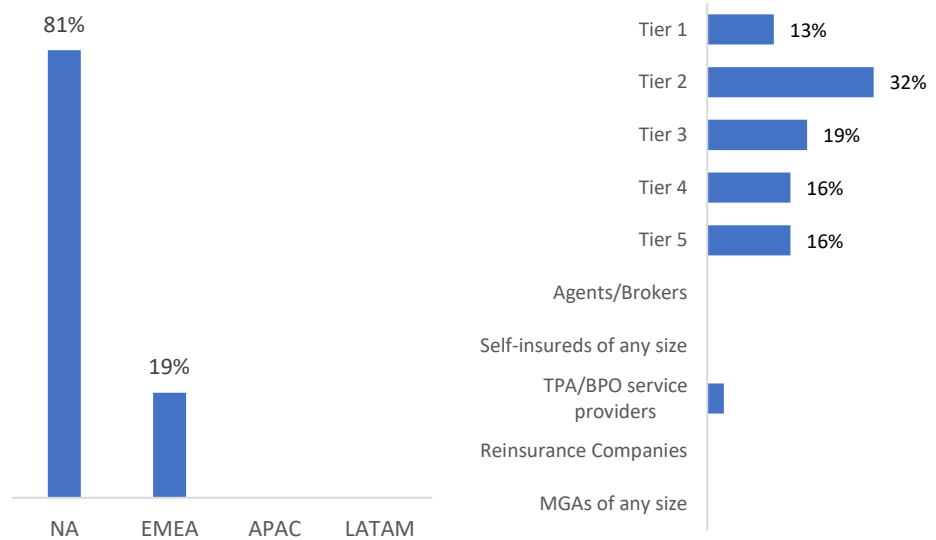
- **Multi-Language:** Users can see the application in their native language, independently of the core code. All literals, valid values, and formats in the application can be rendered in the end user locale. The architecture abstracts the final literals depending on the language of the user, which is configurable through their profile. This provides the ability for a single instance of the application to render the literals in any language. The claims system also supports double-byte character sets.
- **Multi-Currency:** Users have the ability to specify the currency of each financial transaction. Each claim and line has a designated default currency. This default currency dictates how summations of financials are displayed.

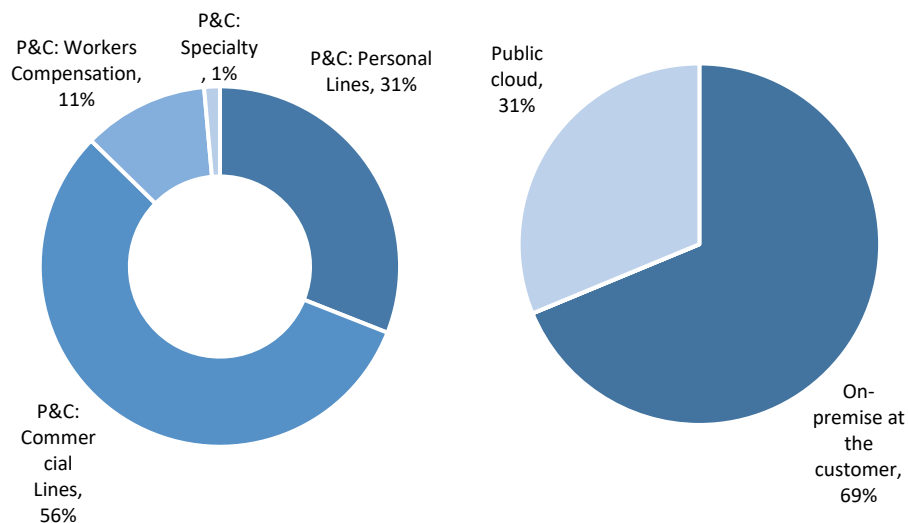
- *Geo-Format*: Country-specific geo-format allows changing formats depending on the country. Phone, zip code, date format, etc. are easily configurable for each country.
- *VAT Processing*: Flexibility by geography supplier and financial process and the utilization of VAT percentage or VAT amount.
- *Integration Ecosystem Framework*: Support multiple integration services (i.e., transaction logging, error handling services, interface availability services, etc.) for a single business function based on geographic or line of business differences
- *Process*: Supports country-specific processes, enabling fields, UIs, business rules, tasks, letters, etc., which appear only when claims for a specific country are being processed., currently in production.

Customer Base

Duck Creek Claims has 38 total customers.

Figure 2: Duck Creek Claims Client Base by Geography, Line of Business, Institution Type, and Deployment Mode





Source: Vendor RFI

Customer Feedback

Three clients provided feedback on Duck Creek. One client is based in North America, with operations in EMEA and APAC. The other two clients are based in North America. Two clients have been using the system for more than five years; the other client has been using it for one to three years.

Clients rated Duck Creek favorably overall. For functionality, all features were rated very high. The highest rated feature was the ability to manage suppliers (e.g., vehicle repair, building contractors, medical/rehab providers) features; while multi-channel capabilities (e.g., portal, mobile, etc.) was rated as average by some. Within technology, again, all items were rated very highly. Their timing in improving technical performance through new releases and fixes was scored the highest.

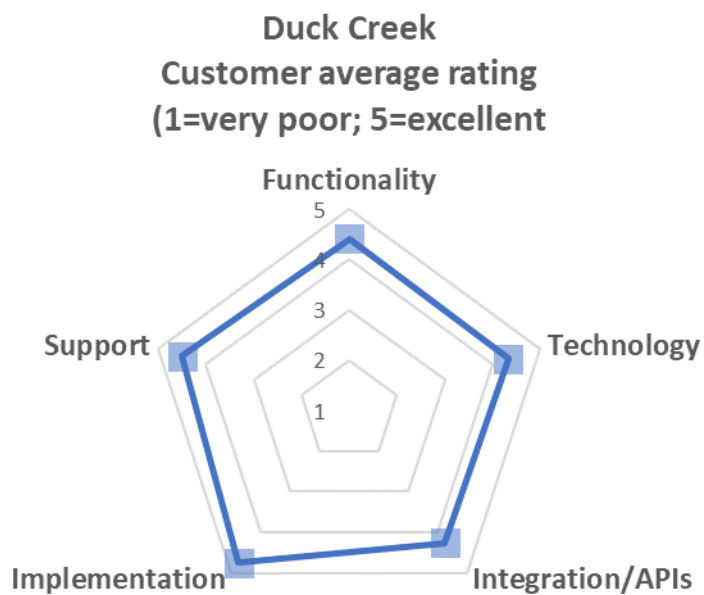
Clients rated integration as above average and felt the solution integrated most easily with their internal core applications, such as policy admin or reinsurance. The implementation experience overall received very high marks from all respondents. Responsiveness (handling of issue resolution) received the highest marks, while implementation completed on budget received the lowest score although, overall, the scores were very high. Finally, in the area of ongoing system support, again, all respondents rated them very high. The overall quality of professional services received the highest score.

When asked what they liked best, one client said, *“Seven to eight years ago on implementation we made the decision to have this platform directly in the Duck Creek cloud. This has been a big win for us. Duck Creek support has been excellent for us. Our Duck Creek claims solution is implemented worldwide. Our user base is extremely happy with it. Performance has been great from day one. This claims product has been handling all of our claims from day one.”* Another client noted, *“As a vendor, Duck Creek is great to deal with. They are very responsive and are*

truly interested in our success.” And the last client appreciated the “amazing customer service and ease of configuration.”

Suggested improvements from clients included, *“There are situations where we have to wait for Duck Creek to make updates to their base product to support our needs. In my opinion some of those requested changes should be configurable by the customer.”* Another client suggested *“More robust logging.”*

Figure 3: Customer Feedback



Source: Celent 2021 PC PAS Customer Feedback Survey

Lines of Business Supported

Table 4: Lines of Business Supported

P&C LOBS	Availability
Personal Auto	✓
Homeowners/Home	✓
Renters/Contents	✓
Umbrella	✓
Commercial Auto	✓
Commercial Property	✓

Commercial Liability	✓
Workers' Compensation	✓
Medical Professional Liability	✓
Other Professional Liability	✓
Business Owners Policy (BOP)	✓
Surety and Fidelity	✓
Excess Policies	✓
Directors and Officers Liability	✓

Legend: ✓ = In production; □ = Supported but not in production; x = Not supported

Source: Vendor RFI

Technology

Duck Creek Claims is an enterprise-class, browser-based application composed in C# on the Microsoft .NET Framework and is implemented using contemporary three-tier web architecture. The view logic and business logic are loosely coupled and can be tested independently, providing flexibility in automated testing solutions.

The web layer employs JavaScript and AJAX to provide rich client features. Page layouts and styles are controlled by external Cascading Style Sheets (CSS) for a highly dynamic and responsive end user experience for personalization of concurrent themes.

The application layer is composed of coarse- and fine-grained business components supporting end-to-end claims processing implemented using Service Oriented Architecture (SOA) design patterns.

The data layer houses referential, transactional, and operational data for system operations and runs on an ANSI SQL-compliant relational database platform.

The last major technology change was implemented in version 2020.

The primary UI is 100% browser-based (HTML). The vendor does not have plans to change the framework for the future.

Technology details for Duck Creek Claims are provided in Table 5.

Table 5: Technology Options

Technology Options	Responses
Code Base	.Net: 100%; C#: 100%
Operating Systems	JEE/Java version support: N/A .NET version support: The current release of the Duck Creek Suite is certified on Microsoft .NET Framework 4.7.1; 4.7.2 is also supported. Available operating systems: Windows
Databases	SQL
Scalability	25,000 users

Technology Options	Responses
	<p>The largest claims volume customer trends at approximately 5.75 million claims per year, and peaked at 6.3 million claims per year at their largest deployment.</p> <p><i>Scalability Metrics:</i> Duck Creek has performance tested the product in a real-world customer configuration to process 21K records per hour through the interactive web UI.</p> <p><i>System Performance:</i> With Duck Creek OnDemand running within Microsoft Azure, availability and scalability are achieved by provisioning environments that accommodate current capacity and performance needs but allow for scalability “scale out” for growth in business volumes. Capacity planning and dynamic scaling are supported through processes to monitor transaction volumes and configuration of automated start-up and shutdown of Azure PaaS services, based on specific capacity thresholds and/or specified days the system is expected to have lower usage. Duck Creek Claims also runs in containers, which provide for faster provisioning and elastic scalability via container orchestration.</p>
Deployment models	<p>Duck Creek OnDemand includes a comprehensive set of value-added services, available as a complete offering as follows:</p> <ul style="list-style-type: none"> • Infrastructure Provisioning (the right infrastructure at the right time). • Infrastructure and Application Monitoring (keeping the system healthy). • Reporting metrics and Service Level Agreement for OnDemand Subscription (application availability, RTO, RPO, incident response time, and speed to answer). • SaaS Dashboard for monitoring system operational health. • 24x7 Help Desk for incident reporting capabilities • Issue triage (ALL incidents), ticketing, and escalation for level 2, 3, and 4 support. • System upgrades of Duck Creek software to make latest functional enhancements and issue corrections available to clients. • Selective application of system upgrade content, with optional User Acceptance Testing by customer. • Third party software and tools integration, supporting base function. • Disaster Recovery planning and backups, to ensure availability, failover, and recovery success. • Infrastructure Patching (operating systems, antivirus, database).

Technology Options	Responses
	<ul style="list-style-type: none"> • Security (penetration testing, protection of PII through monitoring, and debugging tools). <p>This core support with the Duck Creek OnDemand offering takes the physical and virtual infrastructure, security, and disaster recovery headaches out of the equation so customers can focus on the business.</p>
Hosting Details	<p>Number of instances: N/A</p> <p>Maximum number of clients running on one instance: N/A</p>
Public Cloud Options	Microsoft Azure
Source: Vendor RFI	

Data

Duck Creek Claims’ data model is not proprietary. The solution supports industry-standard data model schemas. Data within Duck Creek Claims is housed in a robust proprietary relational data model that is based on Duck Creek’s industry experience. The database was designed from the ground up for this product. Clients can change the data model using the Duck Creek Configuration Page Designer Graphical User Interface, which provides application configuration users with the ability to drag and drop existing or new data fields onto application pages. All fields are associated to logical data objects within the system, allowing them to be fully enabled from the page to the database without the need for physical data model changes. The newly added fields are also then fully available for use in rules execution to drive business processes and workflow.

The data model can be released to the client, can be easily published to a client’s data model, and can map to an intermediate format (such as an industry standard) to share with a client. Customers extend the Claims data model by using Claims Studio to define new elements and their properties. Extended data elements are available for display on any screen and calculation in any business rule, and can also be optionally pulled into reporting when defining the data element.

Modifications to the core application logical data model are implemented by updating the data dictionary and simply dragging and dropping fields on pages through browser-based intuitive user interfaces that do not require coding, scripting, or physical data model changes. The data dictionary documents all fields in the data model at a detailed and summary level. Additionally, customer-configured fields are made available for use on application pages, business rule creation, and for storage/retrieval in the database.

The data model, APIs, and core functionality of the application are continuously tested with nightly regression tests. When new functionality is introduced it is quality tested, and nightly regression tests are updated to account for the new functionality.

Integrations

Duck Creek Technologies provides Web services; XML, not through web services; HTTP; RESTful HTTP-style services; JSON format; MQSeries, JMS, or similar queue technology;

custom APIs; flat files; and native messaging as integration methods. External systems can trigger events in the system, which can be responded to by a workflow or business rule.

Public API integrations: Bing Maps, Google Maps, Alexa, Microsoft ChatBot, Microsoft LUIS

API details for the vendor: The API is documented. External systems can trigger an event in the system, which can be responded to by a workflow or business rules system. API management supports local or global standards such as ACORD application creation and rendering. API sample codes are available to clients. An API developer portal is available for support and descriptions. An API testing portal and the ability to use scripts on the website are available. The system allows API publishing in SOAP, REST, JSON, and XML-style services as APIs. API version management is available. Access to APIs is managed and use of APIs tracked by developers. Training in extending the system is offered.

Duck Creek Technologies provides documentation and training for API integrations.

API and platform extension training is typically conducted during the implementation phase (on the job or as train-the-trainer). Their online knowledge base (Duck Creek Solution Center) contains a substantial number of examples, including code samples.

In addition to their own products, Table 6 shows available products pre-integrated with Duck Creek Claims.

Table 6: Insurance Pre-Integrations

Integration

- NCCI: NCCI Workers Comp Template, NCCI Experience Rating Mods & Worksheets
- Legal bill review systems: Milliman Datalytics-Defense
- Medical bill review systems: Conduent (Strataware)
- Nurse triage systems: One Call
- Payment processing systems: One Inc. (InsurPay)
- Other (Integration Type: Vendor): LexisNexis Police Records Retrieval
- Other (Integration Type: Vendor): Field Inspection: WeGoLook; Auto Salvage: Copart; Subrogation Prediction and Recovery: Safekeep; Record Retrieval: Compex, Ontellus, INTERTEL
- Address verification tools: Precisely
- Agency/broker management connectivity solutions (those that manage data transfer between carrier's systems and agent/broker's systems): IVANS
- Agent/Broker management systems: IVANS
- Analytics solutions: Google Analytics, Gradient AI, Tractable, FRISS, BitSight, Collision Sciences, CLARA Analytics, Attestiv, Claimatic, Claim Genius, Shift Technology, Splice, World Programming, Insurtechnix
- Billing systems: DC Billing, Conduent (Strataware)
- Business Intelligence systems: Microsoft PowerBI
- Chatbots: Hi Marley, Alexa, Splice, Prompt.io, Spixii
- Document creation systems: Quadiant, OpenText, Smart Communications
- Document management systems: Hyland OnBase
- eSignature systems: AssureSign
- Fraud analytics software: FRISS, Shift Technology
- IOT analysis platforms: Cambridge Mobile Telematics, Arity, Roost, Verisk Telematics
- OFAC systems: EBIX, LexisNexis Bridger Insight XG

- Credit/Finance databases for both individuals and businesses: LexisNexis, Dun & Bradstreet
- Demographic/Consumer databases for both individuals and businesses: IHS Markit/CARFAX, LexisNexis, Zywave (Advisen)
- Drivers/Driving History databases for both individuals and businesses: LexisNexis, Verisk
- Insurance Experience databases for both individuals and businesses: Verisk, LexisNexis
- Location/Property databases for both individuals and businesses: Precisely, LexisNexis, Verisk
- Medical databases for both individuals and businesses: ODG by MCG Health
- Vehicle databases for both individuals and businesses: LexisNexis, IHS Markit, Verisk, CARFAX
- Weather databases for both individuals and businesses: Verisk
- Other (Integration Type: Vendor): Recorded statements: ASC Technologies

Source: Vendor RFI

Configuration

Table 7: Approach to Accelerating Product Change

Approach	Availability
Customers can copy and paste between products	✗
Customers can define reusable parts that can be linked together	✓
System uses inheritance to help define products	✓
System uses reusable components, inheritance, and other schemes (explained below)	✓
Other	✗

Source: Vendor RFI

Changes are migrated from development to user acceptance test and eventually production via NuGet packages using Octopus Deploy. To support the SDLC and DevOps process, testing tools are also available to create, maintain, and run testing scripts.

All changes can happen without a restart of the server. Upgrades are typically handled by scripts doing the majority of the upgrade task, or tooling (leveraging third party tools) that help identify use of deprecated or old services/APIs to assist with upgrades, or tests or test tooling assisting with validating upgrades.

Table 8: Approach to System Changes

Approach to System Changes	Availability
Business Rule Definition	✓
Data Definition	✓
Table Maintenance, List of Values, Etc.	✓
Interface Definition	<input type="checkbox"/>

Approach to System Changes	Availability
Product Definition	✓
Role-Based Security, Access Control, and Authorizations	✓
Screen Definition	✓
Workflow Definition	✓

Legend: ✓ = Configurable via tools for business users; □ = Configurable via tools for IT users; ■ = Configurable via the vendor; ⊖ = Configurable via scripting; ● = Coding required; x = Not available

Source: Vendor RFI

Security

Duck Creek Technologies is SOC 1 and SOC 2 certified. This is an annual certification. They are also ISO 27001 certified.

SOC 1 and SOC 2 audits are conducted annually. The ISO 27001 certification, once attained, is a three-year certification that also requires annual surveillance reviews. The vendor is not PCI compliant. PCI compliance is achieved via integration with payment processors using a redirect model and tokenization. Duck Creek never stores card identifiers, only tokens which are returned from the payment processor. Flexible user permissioning, multi-factor authentication, and federated identity support are available as authentication factors for internal and external users.

In the Duck Creek OnDemand (SaaS) operating model, penetration testing is performed prior to a customer go-live and annually thereafter using a rotating third party vendor.

Partnerships

Type of Partnership	Partner Vendor
System Integrators	Duck Creek has formal Delivery Partner (System Integrator—SI) partnerships with Accenture, Atos/Syntel, Capgemini, Cognizant, Deloitte, DXC Technology, HCL Technologies, HTC Global Services, IBM, LTI, Mindtree, NIIT Technologies, and Wipro.
Conversion Partners	Duck Creek provides their product-specific skills to complement their Delivery Partners and/or their customers in developing conversion strategies. The Duck Creek Professional Services team utilizes tools that support various conversion activities, such as loading the converted data, data integrity, conversion test plans, and so forth. These tools can be leveraged by their Delivery Partners through their own skills with the Duck

Creek tools, or through the Duck Creek Professional Services team.

Functionality Partners

Duck Creek's Solution Partners expand the capability footprint of their core suite with critical data services and complementary software solutions. Current Solution Partners include:

- AAIS (American Association of Insurance Services)—Insurance forms, rules and loss costs for Property & Casualty industry.
 - Advisen—Commercial risk data.
 - Arity—Telematics Data.
 - Amali Solutions Group—Subrogation.
 - AssureSign—Electronic signature.
 - BondPro—Surety.
 - Cape Analytics—Underwriting imagery property data.
 - Clyde Analytics—Predictive analytics software.
 - Ebix—Data services for Duck Creek Claims (OFAC Checking, WC EDI Reporting).
 - DataCede—Reinsurance management software.
 - Finity Consulting—Actuarial and consulting services (Alliance is focused on Australia and New Zealand).
 - FRISS—Fraud analytics.
 - InsurePay—Payments.
 - ISO Verisk—Insurance forms, rules and loss costs for Property and Casualty industry.
 - IVANS Insurance Solutions—Carrier/Agency management solutions.
 - LexisNexis—Data services for Duck Creek Suite.
 - OnBase by Hyland—Enterprise content management.
 - OpenText Exstream—Customer communications management.
 - Perr&Knight—Actuarial, regulatory, and compliance consulting.
-

- Precisely—Address validation, geocoding, location intelligence.
- Preview—Consulting services (Alliance is focused on Australia and New Zealand).
- Roost—Home sensors.
- Splice—Communications.
- UrbanStat—Property analytics.
- WCL—London market.
- WeGoLook—Property inspections.
- Verisk Analytics—Insurance data exchange.

Fintech Partners

FRISS, Screenshot, Amali, InsurePay, Gradient, Transunion, Samba Safety, Roost, Arity, Splice, WeGoLook, and Clyde

Accreditations and Certifications

At Duck Creek, a number of team members have attained IT and Insurance accreditations such as PMP and CPCU.

Source: Vendor RFI

Implementation and Support

Table 10: Implementation and Support

Function	Approach
Employees Available /Average Experience Level (Years)	Duck Creek Technologies has 640 staff with 6.3 average years of experience providing professional services / client support for this solution. The average number of customers per professional services / client support staff is 4.01.
Locations of Employees	Duck Creek Technologies has 320 employees in North America, 18 in EMEA, 302 in APAC. If implementation resources need to be sourced from different countries, the vendor uses blended rates.
Resource Breakdown (Vendor, Client, System Integrator)	Typical implementation team size: 11 to 15 Vendor: 20%; Client: 20%; SI: 60%
Use of Third Parties	The vendor regularly works with third party system integrators. Conversion Options: The vendor can handle conversions themselves or uses a third party depending on the customer's needs.
Average Time to Implementation	Initial Implementation: 4 to 6 months 2nd and subsequent LOBs: 1 to 3 months 2nd and subsequent states/jurisdictions: 1 to 3 months
Preferred Implementation Approach	Duck Creek engagements leverage the use of the Duck Creek Delivery Methodology (DCDM), an integrated methodology encapsulating methods, processes, tools, architecture, and metrics. DCDM captures key components of Duck Creek's delivery experiences, crystallized into simple, easy-to-use delivery methods, tools, and architectures. It encompasses multi-workforce, multi-site delivery of systems integration projects, and can accommodate all delivery approaches (including Waterfall, Iterative, and Agile).
SLA Availability	<i>Service scope included in base SLA:</i> 24x7 service hours, Extended service hours (beyond 9 am to 5 pm), Service during working hours at client location, Service during working hours at vendor location <i>Features typically included in SLA:</i> Compensation to client if the software vendor fails to meet its promises, Incident resolution time based on priority level of incident, Metrics and reports, Recourse for downtime, Ticket prioritization, and other features <i>System availability:</i> 96 to 100%

Source: Vendor RFI

Training

Duck Creek University offers in-person and remote instructor-led training along with web-based online training. Recommended training starts with their two-week Boot Camp training, which orients participants to the product and teaches them how to build effectively and quickly. The Boot Camp training is an instructor-led, hands-on training in which the participant sees the process through to a working product. The participant learns best practices, test features, and problem-solving in the product. The opportunity to earn certification is included in this course. Online training is used for supplemental and specialized training. Courses are grouped by topic, and suggested role-based training plans are available.

Duck Creek also has a defined knowledge transfer strategy that focuses on three major areas:

- Configuration Knowledge for business-focused IT resources or technology capable business resources
- Functional Knowledge for Business Analysts and Product Managers
- Technical Knowledge for Technical Architects, DBAs, Network Engineers and Developers

New training modules are periodically added, and online video training is available.

For business users, recommended for business analysts or other nontechnical roles is an abbreviated form of the training applicable to their role on projects. Role-based Learning Plans that include courses from the Duck Creek University Online Learning Center are also recommended and targeted at 30-, 60, and 90-day completion plans.

Pricing

Table 11: Pricing Models

Pricing Models Available:	Subscription-based license, Term license, Enterprise license
Factors Used to Determine Pricing	Usage-based factors: Per functional components/modules used, Annual premium volumes/revenues Tier-based factors: Annual premium volume/revenues
Source: Vendor RFI	

Table 12 shows the average total costs of the vendor’s current client base. This includes costs associated with the software license, initial installation, customization, annual maintenance, and training in the first year. It also estimates the remaining costs for full implementation, including license fees, maintenance, customization, and other fees.

Table 12: Pricing Models: Five-Year Pricing Estimates

Average Total Costs	Licensing	Implementation	All Other
Average Year 1 Costs	US\$1.01 million to US\$5 million	US\$500,001 to US\$1 million	Under US\$100,000
Average Year 2 and Beyond Remaining Costs	US\$1.01 million to US\$5 million	US\$500,001 to US\$1 million	Under US\$100,000

Source: Vendor RFI

CONCLUDING THOUGHTS

For Insurers

There is no “one-size-fits-all” claims solution, but insurers can take comfort in the fact that there are myriad options to fit almost any set of requirements. An insurer seeking a new core claims system should begin the process by looking inward. Every insurer has its unique mix of lines of business, geography, staff capabilities, business objectives, and financial resources. This unique combination and the organization’s risk appetite will influence the list of vendors for consideration.

Some vendors are a better fit for an insurance company with a large IT group that is deeply proficient with the most modern platforms and tools. Other vendors are a better fit for an insurance company with a small IT group that wants the vendor to take a leading role in maintaining and supporting its applications.

Most core claims systems bring some level of out-of-the-box functionality for various lines of business and operating models. Many systems offer powerful configuration tools to build capabilities for both known and future requirements.

We recommend that insurers that are looking for a claims system narrow their choices by focusing on four areas:

- The functionality needed and available out of the box for the lines of business and states desired. Check to see what is actually in production.
- The technology—the integration framework, the overall architecture, and the configuration tools and environment.
- The vendor stability, knowledge, and investment in the solution.
- Implementation and support capabilities and experience.

For Vendors

There has been considerable investment among solution providers to differentiate themselves from their peers. Many of today’s claims admin systems are mature. The solutions deliver robust functionality, improve configuration tools, and are more connected with SOA. Cloud implementation is also becoming table stakes.

Although these trends are beneficial for insurers, they make the competitive challenges facing vendors much more daunting.

Celent recommends vendors differentiate themselves by:

- Focusing on improving usability for both new and experienced users and managers.
- Emphasizing ease of use.
- Building an ecosystem of claims-focused established tech solutions and insurtechs that integrate with the claims admin solution.
- Making implementation faster and less expensive.

- Continuing to move to open APIs and other integration frameworks to drive the easy orchestration of processes and data across external digital capabilities.
- Continuing to build out configuration environments to put change controls in the hands of the carriers.

LEVERAGING CELENT'S EXPERTISE

If you found this report valuable, you might consider engaging with Celent for custom analysis and research. Our collective experience and the knowledge we gained while working on this report can help you streamline the creation, refinement, or execution of your strategies.

Support for Financial Institutions

Typical projects we support include:

Vendor short listing and selection. We perform discovery specific to you and your business to better understand your unique needs. We then create and administer a custom RFI to selected vendors to assist you in making rapid and accurate vendor choices.

Business practice evaluations. We spend time evaluating your business processes and requirements. Based on our knowledge of the market, we identify potential process or technology constraints and provide clear insights that will help you implement industry best practices.

IT and business strategy creation. We collect perspectives from your executive team, your front line business and IT staff, and your customers. We then analyze your current position, institutional capabilities, and technology against your goals. If necessary, we help you reformulate your technology and business plans to address short-term and long-term needs.

Support for Vendors

We provide services that help you refine your product and service offerings. Examples include:

Product and service strategy evaluation. We help you assess your market position in terms of functionality, technology, and services. Our strategy workshops will help you target the right customers and map your offerings to their needs.

Market messaging and collateral review. Based on our extensive experience with your potential clients, we assess your marketing and sales materials—including your website and any collateral.

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For more information, please contact info@celent.com or:

Karlyn Carnahan Kcarnahan@celent.com
Donald Light Dlight@celent.com
Andrew Schwartz Aschwartz@celent.com

Americas

USA

99 High Street, 32nd Floor
Boston, MA 02110-2320

[+1.617.424.3200](tel:+1.617.424.3200)

USA

1166 Avenue of the Americas
New York, NY 10036

[+1.212.345.8000](tel:+1.212.345.8000)

USA

Four Embarcadero Center
Suite 1100
San Francisco, CA 94111

[+1.415.743.7800](tel:+1.415.743.7800)

Brazil

Rua Arquiteto Olavo Redig
de Campos, 105
Edifício EZ Tower – Torre B – 26^ª andar
04711-904 – São Paulo

[+55 11 3878 2000](tel:+55.11.3878.2000)

EMEA

Switzerland

Tessinerplatz 5
Zurich 8027

[+41.44.5533.333](tel:+41.44.5533.333)

France

1 Rue Euler
Paris 75008

[+33 1 45 02 30 00](tel:+33.1.45.02.30.00)

Italy

Galleria San Babila 4B
Milan 20122

[+39.02.305.771](tel:+39.02.305.771)

United Kingdom

55 Baker Street
London W1U 8EW

[+44.20.7333.8333](tel:+44.20.7333.8333)

Asia-Pacific

Japan

Midtown Tower 16F
9-7-1, Akasaka
Minato-ku, Tokyo 107-6216

[+81.3.6871.7008](tel:+81.3.6871.7008)

Hong Kong

Unit 04, 9th Floor
Central Plaza
18 Harbour Road
Wanchai

[+852 2301 7500](tel:+852.2301.7500)

Singapore

138 Market Street
#07-01 CapitaGreen
Singapore 048946

[+65 6510 9700](tel:+65.6510.9700)