AI Academy by SMARTERX

THE STATE OF AI FOR INSURANCE

Insurance Isn't Short on Data. It's Running on Outdated Assumptions.

Why AI is breaking the inherited assumptions behind pricing, underwriting, and claims, and what it means for the agents, underwriters, and adjusters building the future of insurance.

Taylor Radey
Director of Research, SmarterX · Instructor, AI Academy

> Insurance has invested in actuarial science, predictive models, and core systems for decades. So why does so much of the work still move one desk at a time? Because the industry was built on assumptions that made sense before AI: that history predicts the future, that manual review guarantees accuracy, and that work must move in sequential handoffs. The constraints have changed. The assumptions haven't.

THE THREE CONSTRAINTS HOLDING INSURANCE BACK

Why more manual review can't fix this anymore.

01
Rearview Risk Pricing

Ratemaking has been a retrospective science. Actuaries build static models on last year's data, and by the time a new rate is filed and approved, the market may have already moved. That lag used to be normal. Now it is a vulnerability.

02
Sequential Handoffs

Intake, manual review, handoff, approval. Every step adds friction and every handoff adds delay, because the whole architecture was built around sequential steps and human bandwidth. Work piles up behind one overloaded desk.

03
Unread Unstructured Data

Call transcripts, adjuster notes, medical reports, photos, and contractor estimates are rich with insight. Until recently, traditional analytics could count them but not read them, so that narrative intelligence sat outside every model.

47%
of insurers report a revenue lift from AI, not just cost savings.

3 sec
for Lemonade to settle a claim back in 2016. No adjuster, no phone call, no paperwork.

7x
improvement in Net Promoter Score at Aviva after deploying more than 80 AI models.

Sources: Ernst & Young · Lemonade · Aviva

> *"They were reasonable responses to real constraints. But the constraints have changed and these assumptions haven't."*

Taylor Radey, Instructor, AI for Insurance Course Series

THE REWARD FOR DISRUPTION

Three converging forces make this moment unavoidable.

AI That Can Finally Read

Modern AI reads, writes, sees, predicts, and reasons. It can make sense of a hail damage photo, a submission packet, or a policy document in seconds, which is exactly the work insurance is full of.

Adoption Is Already Here

Boston Consulting Group found insurance near the top of industries scaling AI, not just piloting it. Ernst & Young reports insurers are now shifting AI investment toward client-facing functions.

Speed Becomes a Moat

Faster quotes, faster claims, and faster responses reset customer expectations. Over time, the industry will separate into intelligent, highly responsive insurers and everybody else.

THE AI TIPPING POINT

From hindsight to foresight. From handoffs to flow.

Insurance has always been data driven. What's new is the kind of intelligence you can now reach. For the first time, machines can read unstructured data at scale and connect it to live signals like IoT sensors, behavioral patterns, and economic data.

THE OLD APPROACH

- ✓ Static rates built on last year's data
- ✓ Sequential handoffs from desk to desk
- ✓ Manual review as the guarantee of accuracy
- ✓ Unstructured data counted, never read
- ✓ Value measured by volume of files closed

→

THE AI-FORWARD INSURER

- ✓ Dynamic pricing that adjusts as risk changes
- ✓ Work routed by complexity, risk, and urgency
- ✓ AI drafts and extracts; humans own decisions
- ✓ Every document read, summarized, connected
- ✓ Value measured by quality of judgment

BELLWETHERS ALREADY AT PRODUCTION SCALE

AVIVA

Built 80+ AI models and invested 40,000 hours in upskilling. Its motor claims transformation saved £60M+ in one year.

ALLSTATE

AI now drafts nearly all of the 50,000 customer messages its 23,000 reps send each day. Claims agents review for accuracy.

AIG

AI hands underwriters far more comprehensive information, compressing cycle times while reducing workload and burnout.

The risk isn't AI. The risk is inaction.

AI systems compound. Early movers accumulate data that makes their AI smarter, generating more data and widening the gap. Every quarter of delay turns into a moat your team has to climb later — when the cost is higher and the talent is scarcer.

YOUR NEXT STEP:

AI EDUCATION →

Start you AI Transformation with AI Academy by SmarterX

AI Academy by SMARTERX

Begin Your AI Transformation with AI Academy

Accelerating AI literacy and transformation isn't optional. It's a career and business imperative.

AI Academy by SmarterX and our AI Mastery Membership help professionals and organizations thrive through the disruption and uncertainty ahead.

AI Academy provides **AI courses, certifications, live experiences, and learning journeys** for professionals and businesses.

FEATURED COURSE SERIES: AI FOR INSURANCE

This professional certificate series provides a complete journey from strategic understanding to tactical execution.

- ✓ Understand how AI is transforming the economics, workflows, and value drivers of the insurance industry.
- ✓ Navigate the core strategic shifts from traditional to AI-forward insurance operating models.
- ✓ Build an actionable AI roadmap using the Use Case Model and the Problem-Based Model.
- ✓ Select AI tools with the Three Tiers framework and map them to your highest-value opportunities.

AI Mastery Memberships - Your All-Access Pass

AI Mastery Memberships give you and your team **12 months of access** to all of the education, insights, and guidance you need from AI Academy, including **AI for Insurance.**

Industry-Specific AI Courses

Build AI skills that go beyond the fundamentals. AI Mastery Members gain access to AI Foundations courses plus specialized training designed for specific departments and industries. Learn how AI is transforming marketing, HR, operations, healthcare, finance, education, retail, and more through practical, role-specific use cases and implementation strategies.

Member Exclusive Content

AI Mastery Members receive access to exclusive learning experiences designed to keep them ahead of the rapidly evolving AI landscape. Participate in live expert sessions, quarterly trend briefings, Ask Me Anything events, deep dives into emerging AI tools, transformation spotlights, master classes, and weekly app demonstrations that turn AI innovation into practical business advantage.

Individual & Team Plans

Whether you're building AI skills for yourself or your organization, AI Academy offers membership options to fit your needs. Individual memberships provide unlimited access to courses, certifications, live learning experiences, and exclusive content. Business memberships extend those benefits across teams with discounted pricing starting at just five licenses.

Next Steps

Whether you're building AI skills for yourself or your organization, AI Academy has a path for you. Enroll online for immediate access or connect with our team to explore discounted business plans starting at five licenses. Visit academy.smarterx.ai to get started.

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