

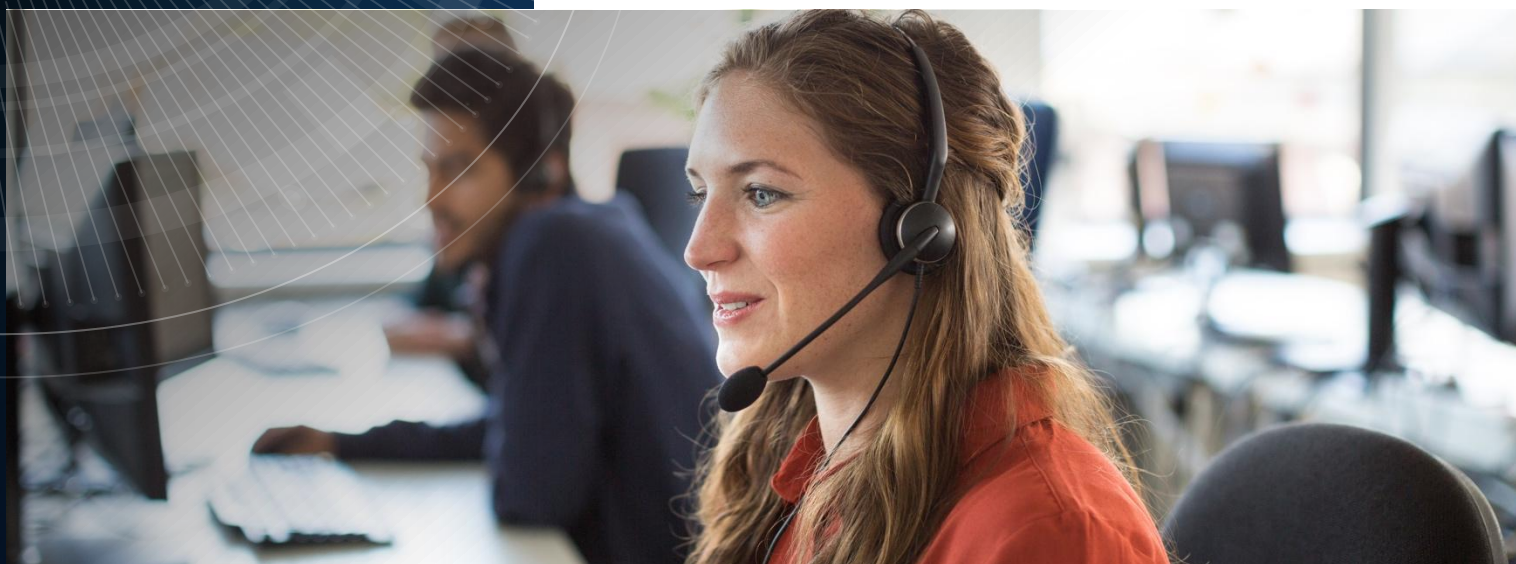


Raising the bar

Six trends driving better
claims outcomes

2025 Future of Insurance Claims | September 2025





Effectively managing insurance claims is essential to building customer trust, enabling claims teams in their roles, and driving business performance – this is one of the insurance industry’s most complex and evolving challenges.

For Insurers, fulfilling claims is core to their purpose and is truly a moment that matters. Claims, however, represents one of the insurance industry’s most complex challenges given changing customer expectations, evolving technology capabilities such as Gen AI, advancements in medicine and healthcare provision, climate change, policyholder affordability issues, regulatory changes and many others. These changes are occurring in parallel to insurer project roll-outs that impact claims technology, data and processes.

In this environment, insurers have an opportunity to enhance the customer claims experience and deliver improved outcomes for customers and insurers.

As part of Deloitte's [Growth in Insurance](#) series, we explore six key trends across insurance claims. These trends are informed through observed global best practices and emerging trends, and intend to support how insurers can drive better claims outcomes for customers and all stakeholders.

Authors



Kylie Bryant

Insurance Sector Lead, New Zealand
kybryant@deloitte.co.nz



Kaise Stephan

Insurance Claims Lead, Australia
kstephan@deloitte.com.au



Catherine Law

Risk and Regulatory Lead, New Zealand
catlaw@deloitte.co.nz



Garima Purdhani

Claims Data & AI Specialist
gapurdhani@deloitte.com.au

With thanks to our global insurance colleagues

Christina Kim

Director, New Zealand
ckim1@deloitte.co.nz

Liping Hao

Associate Director, New Zealand
liphao@deloitte.co.nz

Katherine Quan

Manager, New Zealand
kquan@deloitte.co.nz

Bhrajna Kalaiya

Director, Australia
bkalaiya@deloitte.com.au

Brad Oldridge

Director, Australia
boldridge@deloitte.com.au

Kedar Kamalapurkar

Consulting Managing Director, USA
kkamalapurkar@deloitte.com

Rohit Sharma

Partner, UK
rohitsharma@deloitte.co.uk

John Lonen

Director, UK
jolonen@deloitte.co.uk

Raising the bar

Six trends driving better claims outcomes

We have undertaken research globally and locally to look at the key insurance claims opportunities and challenges as insurers strive to grow and deliver better outcomes for their policyholders, claims staff, communities and stakeholders. We present six insurance claims outcomes and discuss the latest global better practices, emerging trends that challenge these better practices and share global case studies and insights.



AI, Agentic AI and Gen AI transforming claims

Enabling growth and cost efficiencies through new technology



Digitalisation of the claims value chain

Enhanced claims experience through deep digital enablement



Data powered claims analysis and processing

A more responsive claims process through better use of data



Resilient and scalable claims operations

Resilient and scalable operations with sustainability across effort and resources



Regulatory change

Leading regulatory readiness



Insurance claims fraud

Reduced fraud whilst supporting genuine claims



AI and new technologies enabling operational efficiencies and business growth

To unlock future growth and operational efficiencies, insurers must evolve beyond traditional ways of working by embedding scalable, AI-enabled processes into the heart of the claims operation.

This shift is not just about reducing manual workloads, it is about re-designing how decisions are made, how customers are served and how teams work together. Moving from expertise-dependent case handling to data-rich AI powered systems supporting this expertise allows a faster, more accurate and human-centric claims experience at scale.

What does good look like?



AI-powered decision support (including Gen AI) embedded across the claims lifecycle enables faster, more accurate triage, adjudication and customer engagement whilst reducing the case load.



AI-enabled processes for both front and back-end office, from document ingestion, interpretation and validation through to claim assessment and administration.



Using automation technology and intelligent triaging engines to streamline routine tasks, support accurate high quality triaging decisions and free up teams to focus on complex higher-value decisions leads to more efficient and empathetic claims experiences.



Real-time customer feedback analytics and predictive analytics using voice, text and sentiment analytics such as Natural Language Processing (NLP) to address customer pain points as they happen, to forecast claim complexity, risk, urgency and support the team with early input and influence. This drives better allocation of resources, improves resolution and allows the ability to intervene before issues crystallise.



Machine learning tools are integrated into the claims process as adaptive learning systems that continually improve claims frameworks, leveraging continued data build to speed up the claims processes and decision-making.



AI and new technologies enabling operational efficiencies and business growth (continued)

What emerging trends are challenging this?



Fragmented systems and siloed data across multiple insurance licences, distribution partnerships and legacy businesses results in a disconnected environment, making it increasingly difficult to embed AI and automation consistently and adequately across the claims lifecycle.



Education and skills development is necessary to support claims teams to utilise new and advanced tools and technologies confidently to enhance decision-making and outcomes.



Claims technology stack lacks flexibility to support fast iteration, real-time analytics or scalable use of AI and machine learning.



Lack of clarity across the claims value chain stemming from outdated operating models, fragmented roles, overlapping responsibilities, and needless internal handovers. These can hinder efforts to automate or improve the claims process.

Deloitte Insights: Gen AI Adoption in Claims

Based on a Deloitte survey of 200 US insurance executives across life and general insurers, over 94% of insurers are already considering Gen AI implementation across their claims processes as follows:



Over 94%
of insurers are already considering Gen AI implementation across claims processes

For insurance claims, the majority of insurers reported gains in efficiency and productivity, the most important benefit their organisation has achieved. This was followed by cost reduction and enhanced relationships with clients and customers.

Source: <https://www2.deloitte.com/us/en/insights/industry/financial-services/scaling-gen-ai-insurance.html>



Enhanced claims experience through digital enablement

The claims experience has become a defining moment for customer trust and retention.

As expectations continue to rise, and digital experiences become the norm across industries, insurers need to provide a claims journey that is fast, transparent and easy to navigate, for both the customers and internal claims teams.

A digitally connected claims process, powered by intuitive interfaces, automation and data have gone from a 'nice to have' to being essential to scale, improve efficiency and meet rising expectations.

What does good look like?



A digital-first claims model using phones and drones to streamline the lodgement and assessment processes.



Mobile-first design and self-service portals improve accessibility and provide control to customers.



Improved claims completion rates, with customer confidence in digital interactions across the full claims lifecycle, using user friendly digital tools.



Improved productivity across the internal claims teams through automating repetitive tasks and reducing friction across the claim lifecycle.



Timely and consistent turnaround times from claims lodgement to settlement are driven through automation and connected workflows.



Improved customer engagement and net promoter scores as a result of customer-centric design and real-time updates.



Digital lodgement that provides customers an easy, intuitive online lodgement process.



Real-time claims tracking and communication reduces uncertainty and customer frustration.



Measurable reduction in complaints and escalations in relation to claims thanks to clearer processes and more efficient resolution.



Interconnectedness of platforms which automate and allocate routine tasks e.g. pre-fill data.



Enhanced claims experience through digital enablement (continued)

What emerging trends are challenging this?



Volume of touchpoints: Poor claims experience requiring additional approvals, and challenges with delegations resulting in more team members needing to touch a claim before claim decisions can be made.



Integration with legacy systems: Outdated infrastructure lacks compatibility with modern digital solutions, making it challenging to create a unified interface that serves both customers and the internal claims teams effectively.



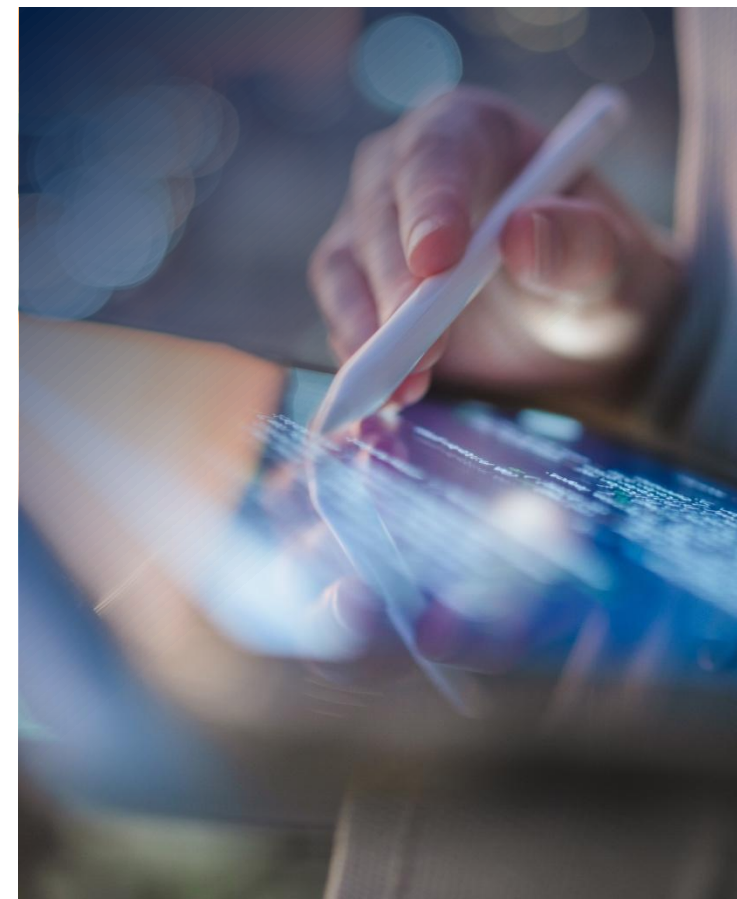
Siloed data and manual workarounds create inefficiencies across the claims lifecycle and hinder the ability to automate, personalise and track claims in real-time.



Change management and driving sustained behavioural change can be challenging when implementing new processes and technology, as the change requires both cultural and procedural alignment across the organisation, and the complexity can increase pressure on teams.



Balancing automation with human expertise from lodgement to settlement. The balance of automation with expertise in the loop is necessary to ensure the right outcomes between routine tasks that can be digitised compared to more complex claims or decisions needing the right skills and empathy with human connection.





Enhanced claims experience through digital enablement (continued)

Deloitte Insights: P&C digital claims experience

A large P&C insurer brought their claims customer journey to life with a complete shift to a **digital-first operating model** and an end-to-end claims process transformation for customers and employees.

The change covered a new digital lodgement process, photographic initial claims estimation with fraud detection, a communication hub and a service management portal for staff.

Success outcomes with over \$150m in total savings realisation covered:

- **Reduction in cycle times** of 3 specific claim types with changes at first notice of loss and automated case estimation
- API-led **approach to development** that leveraged the power of different platforms enabling tailored experiences for customers and staff
- **Rationalisation of 1,000+ custom claim rules** and extracted out of core claims platform
- **Reduction in internal and external spend** through process efficiencies and technology enablement.

Customer experience metrics and outcomes improved markedly on speed of lodgement, online claim completion rates, lower call abandonment rates and over 90% positive customer feedback. **Employee experience metrics improved markedly** from surveys.

Over
\$150m
total savings realisation



Reduction in cycle times of
3 specific claim types

Rationalisation of
1000+
custom claim rules



A more responsive claims process through use of data

Insurers have significant volumes of data, but without fully connecting, understanding or applying it, that value is lost. Claims leaders are now looking to turn raw data into real-time insight to help triage faster, personalise the customer journey, and spot problems before they crystalise.

Making data truly work for claims means breaking down silos, embedding AI where it matters, and giving frontline teams the clarity and confidence to act.

What does good look like?



Organisation-wide connected data across claims, pricing, underwriting, and reporting activities brought together to enable management and decision makers at every level with timely, trusted, actionable information and a single source of truth across the value chain.



Performance dashboards across end-to-end claims to provide visibility through integrated dashboards and reporting that connects operational efficiency, quality assurance and customer outcomes.



Seamless data integration and data governance across systems used and in connection with third parties, to drive accuracy and accessibility that supports the claims function, whilst meeting regulatory requirements.



Use of data to support customer focus that goes beyond optimising insurer operations. This provides customers with a personalised claims journey which is an intuitive, transparent and meaningful experience for claimants as a result of streamlined processes.



Centralised scalable cloud-based claims systems integrated with a data platform to support seamless access to real-time data and support flexible scaling particularly during surge periods.



A more responsive claims process through use of data (continued)

What emerging trends are challenging this?



Disjointed systems impede effective use of data as fragmented data environments prevent or restrict the flow of information across the claims lifecycle and limit the visibility and opportunities for claims teams to improve claims outcomes and customer experiences.



Legacy technology struggles to keep pace with speed of data progression as the legacy platforms struggle to ingest, process or utilise new types of data effectively. This creates challenges around harnessing the full power of AI and enhancing the customer experience.



Lack of data expertise across teams and supporting tools means that datasets and value that could otherwise be extracted are underutilised. Teams need the right technical support to turn data into actionable insights and drive decision making.



Gaps in trust and governance, particularly concerning privacy and ethical considerations, are non-negotiable. In many cases, the absence of strong guardrails on what data is used, and when and how it is applied, undermines customer trust.

Deloitte Insights: Leveraging data

- **Proactive engagement with customers:** US insurers are using data analytics and AI to forecast where live disasters will strike and nudge policyholders to take preventative actions. This can support with reduction of claim volumes and complexity of claims.

Insurers are similarly utilising a combination of drones, cameras, satellites and AI to support claims management, analysing documents and photos to assess property damage or injury type, and to flag potential coverage or exclusions early in the process.

- **Improving customer and cost outcomes:** Insurers are using AI and machine learning to assess spending patterns and identify opportunities to be more efficient, improving outcomes for customers through early intervention whilst at the same time reducing spend.

Source: [2025 global insurance outlook](#) | Deloitte Insights



Resilient and scalable operations

The increasing claims costs landscape through supply chain challenges, geopolitical volatilities and expected growing frequency and severity of natural catastrophes – from floods to pandemics – is stress-testing insurers' ability to handle extreme claims surges.

The bar has been raised around expectations and compliance and without insurers being able to flexibly respond, customers face delays, poor service, and even harm and reputational damage.

What does good look like?



Supplier management SLAs that thoroughly address claims service quality, customer outcomes and align with the insurer's interests during routine operations and surge events.



Engagement with claims service providers is seamless throughout the claims lifecycle, the service provider cycle and aligns to heightened regulatory requirements relating to claims handling and FMA Standard Condition.



Supplier spend management is holistically understood including value obtained. Supplier spend is reviewed and optimised at regular periods.



Enhanced scenario planning aligned with risk appetite includes operational testing and a clear understanding of the claims function's operational resilience limits.



Automation supports ability to flex and scale claims operational resourcing and processes in times of need.



Continued investment in societal resilience through research and policy work that supports ongoing concerns and private-public dialogues to strengthen societal resilience.



Insurer and supplier environmental sustainability in consideration of materials across claims processes, optimising supply chains to maximise salvage and minimise waste, whilst enhancing claims fulfillment across remote locations.



Sustainably attracting, retaining and developing insurance claims talent by investing in internal talent development and identifying effective methods of transferring claims knowledge from experienced staff during changes.



Resilient and scalable operations (continued)

What emerging trends are challenging this?



Inflexibility: Many claims functions are not built with the flexibility to scale, particularly during surges, causing long delays and bottlenecks.



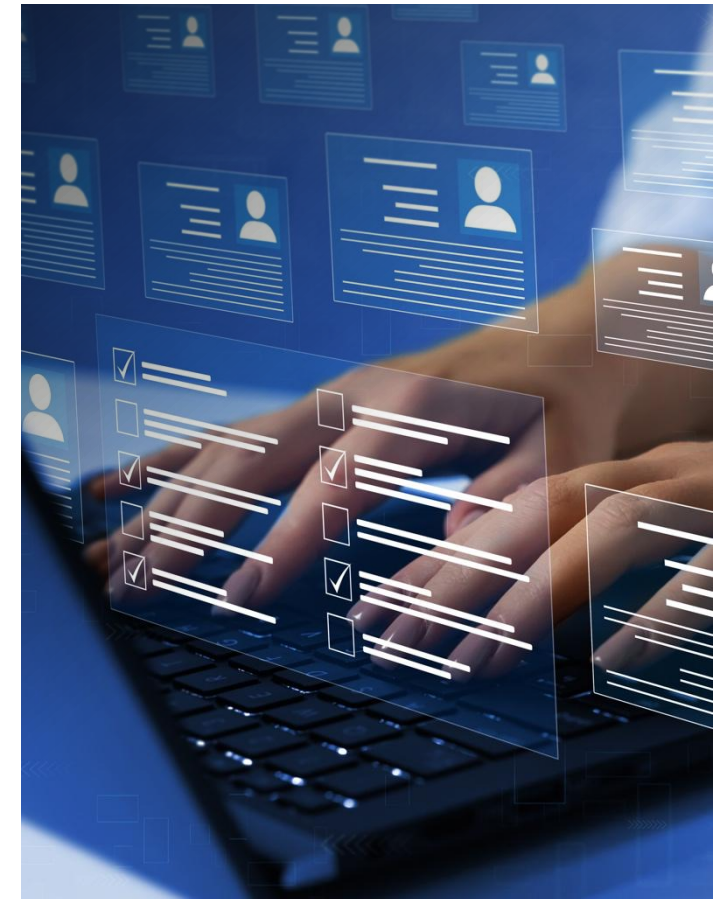
Talent and skills shortage is impacting the insurance sector, including claims functions. There is growing need for talent as complexity of claims increase, higher expectations need to be met, and building long-term relationships with suppliers is required.



Supply chain arrangements: Navigating supply chain arrangements is complex, particularly when remuneration structures create incentives that do not always align with the optimal outcome for a claim or customer. Opportunities to review and adjust these arrangements can be limited and usually emerge during changes to insurer systems, data, claims processes, or organisational priorities.



Mental health strain and burnout across claims teams and supply chain: The pressure of surge events, complexity and shortages that arise take an emotional toll that can significantly impact claims teams and can extend across the supply chain. Without having dedicated support and proactive mental health support strategies, performance, retention and service quality outcomes are at risk of failing.





Leading regulatory readiness

Heightened regulatory and community expectations relating to claims handling practices, and ongoing regulatory changes will continue to shape the insurance claims landscape.

This requires adequate investment in the capability, systems, processes and tools to deliver the intended customer and regulatory outcomes.

What does good look like?



A customer-centric approach across claim, further enabled by the claims strategy, supports meeting regulatory requirements and community expectations. This includes proactive communication, timely, fair and transparent claims outcomes, effectively managing complaints related to claims, and supporting vulnerable customers appropriately at claims time.



Investment in technology and tools to streamline claims processes, to meet compliance standards, and having the right capability to support the claims function and meet regulatory requirements.



Governance arrangements and practices that drive a culture of compliance, support with clear accountabilities, defined roles and responsibilities and clear decision rights, and having the data and oversight through governance forums which enables senior leadership with visibility and the ability to act.



Rigorous data protection and cybersecurity measures need to span appropriately across claims, and should consider limited acquisition and use requirements, as well as appropriate retention and disposition.



Agile approaches to regulatory change to enable alignment to evolving regulatory standards. This agility would include cross-functional teams across legal, compliance, IT, and business units that work iteratively to assess regulatory changes and develop adaptive processes.



Digitised processes which align to regulatory requirements and automated compliance monitoring through embedded and/or automated controls to prevent, detect and correct issues, and support operational resilience of claims processes.



Adequate change management, including staff training that helps staff respond to customer needs, and on regulatory requirements and regulatory changes to support quality and consistent customer outcomes.



Leading regulatory readiness (continued)

What emerging trends are challenging this?



Investment: Responding to imminent regulatory change will continue to demand investment and resourcing. The investments in claims, complaints and customer experience need to be considered together with investment in regulatory and risk uplift, to support the same customer outcomes.



Policy alignment: The insurance policy intention with added complexity of policy wording has impacts on customers' understanding and claims experience.



Emerging risks: Adapting to emerging risks, such as the growing prevalence of cyber threats, and increase in frequency and intensity of natural events, requires realigning product offerings and claims processes and capability.



Competing priorities and time: Time constraints and competing priorities hinder insurers' ability to fully consider overlaps or interdependencies between the regulatory requirements, and ability to effectively plan and uplift claims functions.



Technology and tools: Use of technology and advanced tools to tackle compliance challenges, including obligations management, effectiveness of controls, and implementing complex regulatory changes, is not always considered.

Deloitte Insights: Regulation

Investment in Regulatory and Risk Uplift

- New Zealand insurers are preparing for the **Conduct of Financial Institutions (CoFI)** regime, which went live on 31 March 2025. CoFI mandates insurers to implement a **Fair Conduct Programme (FCP)**, shifting the focus from reactive compliance to proactive customer outcomes. This requires investment not only in compliance systems but also in aligning claims, complaints, and customer experience functions to deliver fair treatment consistently

Policy Alignment and Complexity

- The **Contracts of Insurance Act** modernises NZ's insurance law, replacing outdated legislation. It introduces clearer disclosure obligations, codifies good faith duties, and mandates **plain English policy wording** for consumer contracts. This reform aims to reduce confusion and improve claims experiences, especially for vulnerable customers

Emerging Risks: Climate and Cyber

- The **Natural Hazards Insurance Act 2023**, now in effect, expands coverage beyond earthquakes to include floods and storms, reflecting the increasing frequency of natural disasters. Insurers must now streamline claims processes and collaborate with the Natural Hazards Commission (Toka Tū Ake)



Reducing fraud whilst supporting genuine claims

Fraud is becoming easier to commit, and harder to detect. As tools such as GenAI and digital forgery become more accessible, insurers will need to ensure early detection and prevention is embedded across the full claims lifecycle. They will need to seamlessly support fraud management across claims triaging, assessment and resolution.

Combining human judgement with advanced analytics capabilities allows for a balanced approach where technology identifies anomalies and experts assess context of fraud and intent.

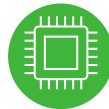
What does good look like?



Fraud detection embedded in real time which analyses behavioural, contextual and historical data to identify suspicious patterns at any stage of the claim.



Transitioning from traditional and static rules-based fraud detection methods to investing in more advanced claims exposure and prevention techniques that can detect nuanced fraud behaviours.



Fraud awareness and prevention practices across the organisation, with teams trained and aligned to recognise early warning signs and to rapidly respond and prevent impacts.



Educating customers on the claims process and fraud prevention measures, and why certain details are required, encourages trust as customers feel safe and informed throughout the process.



Industry-wide collaboration through participation in trusted networks and working groups to share intelligence and reduce blind spots relating to fraud.



Predictive segmentation of claim types through use of AI and data to fast track low-risk claims and apply more scrutiny to high-risk claims.



Reducing fraud whilst supporting genuine claims (continued)

What emerging trends are challenging this?



Fraud-enabling tools are more accessible reducing the barriers to committing fraud, and insurers need to be able to detect these on a real-time basis.



Establishing overly-sensitive controls which end up flagging genuine claims as potentially fraudulent incorrectly, or are influenced by inherent biases, and delay the claim settlement process while eroding customer trust.



High demands on specialist investigators is required to undertake fraud investigations, and to identify collusion that arises between customers and suppliers.



Evolving organised criminal and fraud activity with technological advancements involving suppliers, networks or insiders is harder to detect without holistic data insights.



Responsible AI frameworks are necessary to ensure explainability, fairness and compliance in how AI identifies and responds to fraud risks. It is also paramount to ensure appropriate guardrails exist to avoid bias in AI, breaching privacy and other laws.

Insights and considerations

- **\$1bn** is the estimated cost per year of fraud, which ultimately increases premiums across the industry.
- **35% of respondents chose fraud detection** as one of the top five areas for developing or implementing generative artificial intelligence applications over the next 12 months in a Deloitte survey of insurance executives during June 2024.
- **P&C insurers could reduce fraud and save US\$80-160B by 2032**, according to recent Deloitte estimates in the U.S. by implementing AI-driven technologies across the claims lifecycle and embedding real-time analysis from multiple modalities.
- **The FMA is prioritising stronger fraud detection measures**, faster and fairer compliant resolution processes, and tighter safeguards over client assets to better consumers and uphold trust in the financial system
- Whilst instances of fake medical documents produced by AI or doctoring of pictures occurs on claims, identification of mismatched injury reports and inflated repair costs through use of data and technology is **helping manage these kinds of emerging fraud risks** through the likes of machine learning frameworks.

Source:

Insurance Fraud Bureau, [“Financial Difficulties Linked with False Insurance Claims in New Zealand”](#)

Deloitte, [“Property and casualty carriers can win the fight against insurance fraud”](#)



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