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Penn National Insurance Partners with Convr to Accelerate Digital Transformation in Underwriting

PENN NATIONAL INSURANCE

Feel Secure®

Learn how Penn National Insurance:

- Is gaining valuable insights on over 4,500 of their submissions using AI

- Is helping 83% of the underwriting team be more efficient and productive, while advancing its vision of achieving data-driven underwriting excellence

Traditional underwriting:
Like trying to find needles in haystacks

For more than a century, Penn National Insurance has successfully navigated change. Founded in 1919, it now operates in 11 states through more than 1,200 independent agency operations. Though the world has changed substantially, Penn National has continued to advance in ways that fulfill its policyholders' evolving needs. Its keys to longevity and success? A willingness to be curious, challenge assumptions, and embrace change as an opportunity for improvement.

Underwriters have always been searching for needles in haystacks—and today's haystack is bigger than ever. Critical information is scattered across company websites, government portals, social media platforms, and more. Manual research isn't just bad for underwriting productivity. It delays the time to quote and introduces unnecessary friction in the agent and insured experience. Manual processes also increase a carrier's risk, as missed insights or mistakes can lead to higher losses and increased loss ratios.

"It's always about what you don't know," says Randy Mancini, VP of commercial lines at Penn National. "My horror story is reading the loss report for that large fire. You assumed you had a 5,000-square foot, non-combustible building built in 1980. Your adjuster says, 'yeah, actually, it's

8,000 square feet, frame, built in 1899!'"

Like many carriers, Penn National felt pressure to drive profitable growth through more accurate pricing and risk selection. In addition, a growing number of competitors were using predictive analytics in commercial lines—which left Penn National vulnerable to adverse selection.

But where others see a challenge, Penn National saw an opportunity. Through its rich history, Penn National had learned that transformation is a constantly moving target—and its leadership team knew digital transformation was no different. They recognized the need to invest in AI for underwriting, so they could enable digital underwriting processes and take advantage of big data and advanced analytics. They just needed the right partner to make it happen.

A strategic partnership is born

Convr was the ideal match for Penn National's needs. Tactically, Convr's underwriting AI solutions could help Penn National modernize its underwriting capabilities, get real-time access to relevant insights and remain competitive. Strategically, partnering with Convr enabled Penn National to invest in AI and advance its transformation goals, allowing them to offer a superior customer experience to the policyholders of this new digital age, which demands quality service in a timely manner.

Penn National activated the following Convr solutions:

d3 Risk 360™

d3 Risk 360™ enables Penn National's underwriters to analyze the digital footprint of a business in real time. With just a business name and address, underwriters get instant access to critical business information, such as violations, permits and licenses, social media presence, and much more. With enriched customer data in one place, underwriters can be more productive, effective and consistent. In addition to that, by leveraging accurate information in a timely manner, Penn National can ensure overall improved risk selection.
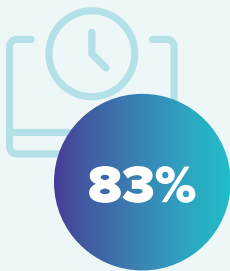
d3 Answers™

d3 Answers™ gives underwriters automatic answers to complex underwriting questions. That enables Penn National to dramatically reduce the number of underwriting questions that need to be asked manually—which speeds up the time to quote and reduces friction in the agent and insured experience. The speed and accuracy offered from d3 Answers also gives the opportunity to Penn National for potential future pricing adjustments to better reach their target loss ratio.

Convr's patented AI technology leverages machine learning (ML) models that are specifically trained for the commercial insurance industry. These ML models navigate structured and unstructured data from thousands of data sources and more than 4 billion data points to verify, cross-reference and deliver critical underwriting insights in real time.

Digital underwriting results

Using d3 Risk 360 and d3 Answers, Penn National can use minimal information to quickly identify underwriting risk characteristics and make more informed decisions. Here are some of the results that Penn National has had so far:

83% Penn National underwriters think Convr's Underwriting Command Center saves them time

4500+ Number of submissions that underwriters used insights from d3 Risk 360 and d3 Answers in the first seven months

88% Penn National underwriters say it's helpful to have all public source information in one place

Four tips to apply AI in a practical way

Many carriers are exploring the use of AI in underwriting. To get the most from your digital underwriting investments, you need to apply AI in a practical way. Here are a few considerations:

- **Avoid shiny object syndrome.** Focus on use cases for AI that deliver results and are focused on a problem. What are your pain points? Where do you want to advance your capabilities?

- **Find ways to achieve quick wins.** Having identified practical use cases, what small steps can create momentum? How can you accumulate quick wins to solve real, multiple problems?

- **Build flexible solutions.** Things change fast, and what works today may not be appropriate for tomorrow. Are you investing in solutions that are scalable and configurable?

- **Manage change.** Transformation is as much about people as it is technology. Have you defined and articulated a compelling vision? How will you bring people with you on a shared journey of success?

Digital underwriting results

By partnering with Convr, Penn National can now orchestrate a better underwriting experience. With real-time access to critical insights, underwriters can be more productive and effective; that, in turn, enables Penn National to drive profitable growth.

Importantly, through its investment in AI and partnership with Convr, Penn National has accelerated its digital transformation and laid a foundation to continue its pursuit of a data-driven insurance continuum and being the top choice for its policyholders.

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> **Penn National Insurance is dedicated to continued innovation and incorporating data-driven decision-making at all possible points within the insurance continuum. Convr has been a big part of helping us to continually innovate while remaining competitive in the market.**
>
> **Randy Mancini**
> VP of Commercial Lines,
> Penn National Insurance
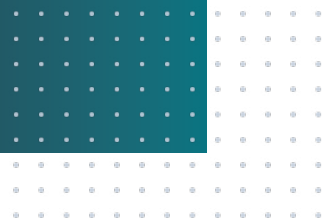
Digital transformation is a moving target

The world is changing faster than ever, and the confluence of technology, customer and societal shifts make business agility more important than ever. But it is hard to be agile when you're wrestling with manual processes and outdated technology. To be competitive and profitable, you must be able to make consistent, well-informed underwriting decisions at scale.

In other words, you need access to the right insights—but data alone will not get you where you need to be. You also need AI. AI makes it practical to collect, analyze and extract insights from a broader data set. AI makes it possible to augment human capabilities and unleash the full potential of an underwriting team. AI lays the foundation for other advances, whether improvements to the agent and insured experience, prefill capabilities, straight-through processing or more.

Transformation is not a finite process, and neither is digital transformation. To be competitive today—and tomorrow—you need to cultivate a mindset of continual innovation. Partnering with Convr can help you accelerate your innovation journey.

> **To be competitive and profitable, you must be able to make consistent, well-informed underwriting decisions at scale.**

Start your digital transformation today

Convr patented AI enables insurers to remove the friction from submission to quote, via an Underwriting Command Center that provides underwriting teams one place to go to consistently assess risk, price adequately, and avoid losses. Convr's d3 Underwriting™ platform is comprised of:

d3 Intake™ ingests, digitally transforms, and analyzes structured and unstructured insurance submissions, virtually eliminating manual data entry

d3 Risk 360™ provides a holistic view of risk in one place, enabling underwriters to make more informed decisions

d3 Answers™ applies decision science to answer complex underwriting questions, improving the agent experience and enabling straight-through processing

d3 Risk Score™ automatically optimizes and prioritizes risks for evaluation, configured to each carrier's unique risk appetite

Convr's products work individually and as an interoperable suite providing an Underwriting Command Center, an intuitive online user experience with a rich set of documented API waypoints.

Our vision is frictionless underwriting through data discovery and decision science empowering commercial P&C insurers to make better risk decisions, attract and develop talent, and grow premiums profitably.

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