

Lowering workers' compensation costs with predictive analytics

Milliman's web-based modeling tool, Nodal, uses predictive analytics to efficiently find and triage workers' compensation claims shortly after they are reported. On October 1, 2017, Intergovernmental Risk Management Agency (IRMA) began using Nodal to help reduce costs and improve claim management. Below are some of the results.

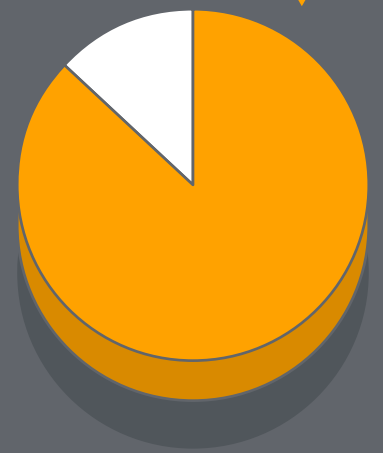
Nodal demonstrated accuracy ...

Nodal scored over 700 claims for IRMA in the past year and accurately flagged 19 of the 20 largest claims within 30 days of being reported. Nodal utilizes proprietary text mining algorithms to uncover hidden data in adjuster notes shortly after the claim is reported.

NODAL TARGETS THE TOP 10% OF CLAIMS ...

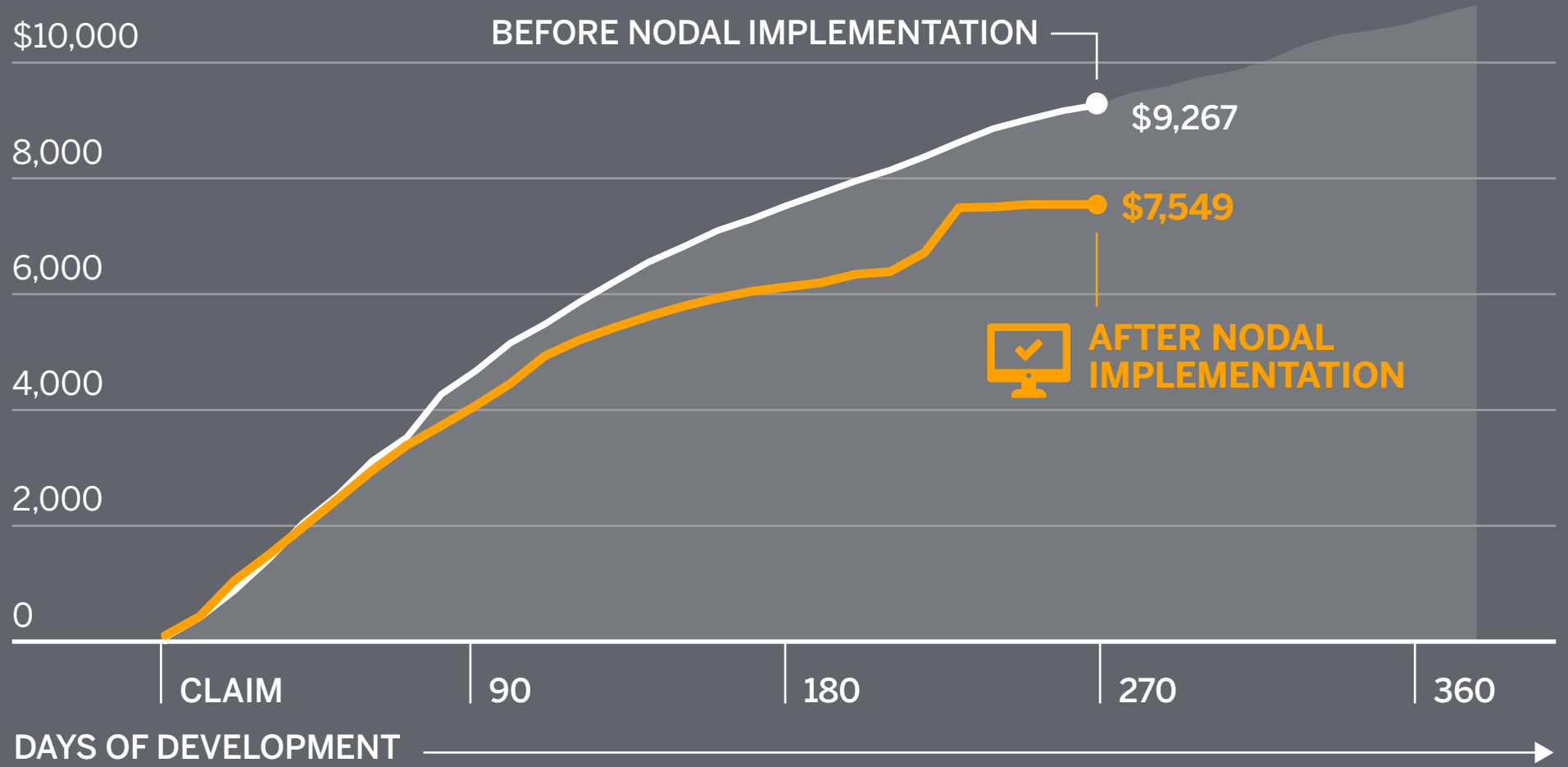


... WHICH HISTORICALLY REPRESENTS 87% OF ULTIMATE CLAIM PAYMENTS



playing a key role in lowering claim severity ...

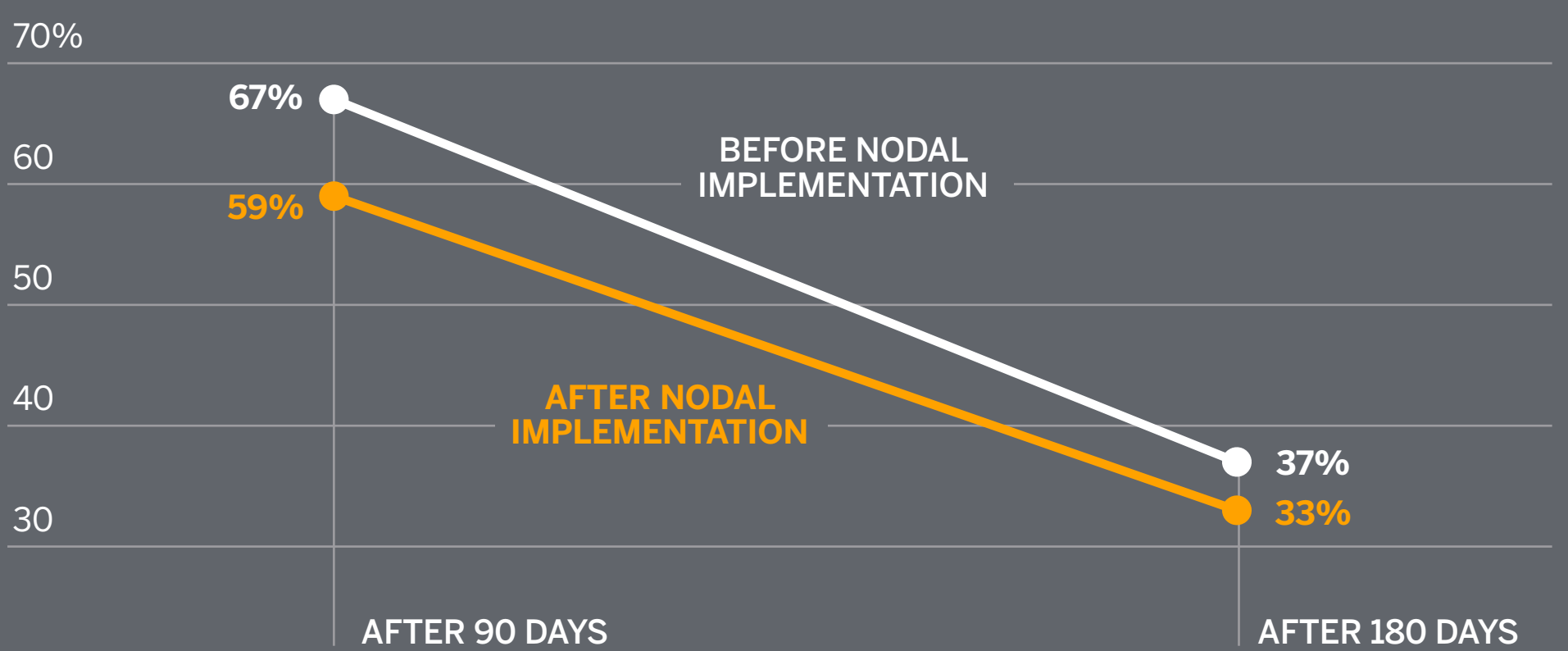
In 2018, claim severity is coming in about 15% lower than in 2016 and 2017.



helping claims close faster ...

With the help of Nodal, IRMA had more claims closing faster than in previous years.

PERCENT OF PENDING CASES



and reducing overall loss costs.

Losses from workers' compensation claims are down 41% compared to historical valuations.

INCURRED LOST COST at 8 months of development

