When Magma HDI was formed in 2012, the selection of TCS BaNCS for Insurance was “a no-brainer,” says V Ramesh, Head – Information Technology, Insurance at Magma HDI.

Given its unparalleled domain knowledge, skills, and resources, TCS has earned a longstanding leadership position as a solution partner to general insurance companies in India. In addition, TCS BaNCS was first to market with a flexible product configurator that allows insurance companies in India to rapidly build customized solutions that meet their specific business needs. This level of flexibility was important for Magma HDI to achieve its business objective of being a fast-moving, customer-focused insurer.

TCS BaNCS became a one-stop shop for Magma HDI throughout its core solutions with the deployment of TCS BaNCS for Property & Casualty Insurance’s functional modules for quotation, underwriting, policy issuance, policy servicing, claims, reinsurance, correspondence, and the full range of finance and accounting services in support seven lines of business: Motor, Marine Cargo, Fire, Engineering, Heath, Personal Accident, and Miscellaneous.

In addition, Magma HDI uses TCS BaNCS Digital for its agent portal, which integrates directly with TCS BaNCS for Insurance to support over six million policyholders.

The Magma HDI go-live in 2012 took just three months, making it the fastest insurance deployment in the history of TCS BaNCS.

Eight years later, the focus on speed continues, with the product configurator of TCS BaNCS enabling Magma HDI to roll out new products quickly and efficiently. So far, Magma HDI has launched 38 core insurance products and an additional 17 through its agent portal.

But instead of configuring their own products with internal resources, Magma HDI opted for the faster, full-service approach of having the insurance domain experts at TCS take care of everything. “We ask for what we need, and the TCS BaNCS team delivers,” says Ramesh. “Our go-to-market speed is extremely fast.” That level of speed and flexibility has translated into consistent profitability. “Over the last five years, we’ve grown over 30 percent per year,” says Ramesh. Magma HDI is currently adding from 300,000 to 500,000 new policies per month.

Automating claims with MAGIC

On the foundation of a modern core insurance platform, Magma HDI can iterate rapidly without being held back by legacy limitations.

Magma HDI has launched “MAGIC” (Magma HDI General Insurance Claim), a complete digital front-end for claims adjudication. MAGIC is breaking new ground in terms of capabilities and effectiveness not just among TCS BaNCS customers, for the entire P&C insurance industry.

With MAGIC, Magma HDI is working towards a vision of a low-touch, AI-driven claims process. As an example of MAGIC’s capabilities, customers will soon be able to get automated assessments for Motor insurance claims. Using traditional systems and workflows, customers submit a motor insurance claim by towing the vehicle to a workshop for an assessment. Magma HDI already lets customer avoid that step, which is a highly valued benefit given Covid-19 restrictions. Through live video calling, dealers receive a real-time remote assessment to process the claim. A claim app prompts the customer or surveyor or dealer to take the needed photos, which are automatically sent to the assessor.

But that’s just the beginning. With MAGIC, Magma HDI will automate the claims assessment process using artificial intelligence and machine learning. “Instead of having people manually analyze photos and videos, we’re engaged with building an AI that can do that analysis,” says Ramesh.
Through an industry data provider, Magma HDI is sourcing vehicle data from over 6 OEMs, each having hundreds of vehicles on the road, which in turn consist of a mind-boggling set of components and parts. All these data elements are now being captured and placed into a database. “You need information at a granular level, down to the spare parts for each make, model, and year,” says Ramesh.

By applying machine learning techniques on vehicle component data, Magma HDI can train the claims assessment AI using its own historical claims data. The AI will examine photos or videos of an automobile to identify which parts are damaged, and then to estimate whether the vehicle is worth repairing – as well as detect patterns of fraud. This level of automated processing will deliver quick results for the insurer and for the customer.

“We will minimize the cost of claims processing, which means that we can translate those benefits to the customer in the form of lower premiums,” says Ramesh.

Magma HDI will start with testing of image-based claims processing this year and continue with video processing in 2021.

Consistent experience
The partnership with TCS has been an underlying element of the continued success of Magma HDI. “TCS has always been open to implementing our complex business requirements, and the TCS BaNCS system is flexible enough to accommodate changes in an agile manner,” says Ramesh.

“My experience with TCS has been consistent, whether in good times or during a crisis – you can pick up the phone and they’re at your side when you need them,” Ramesh adds. “It’s one team working together on a common goal.”