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Claim Denied:
The Identity Data Crisis Undermining Insurance

Resolving policyholder identity is the foundation for accurate claims, fraud prevention, and digital transformation.

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Introduction:
Trust Starts with Identity

The pressure is building. Across the industry, from Property & Casualty (P&C) to Life and Retirement, the cracks are starting to show. Policyholders expect fast, seamless digital experiences, but many carriers are still held back by systems that were never built to talk to each other, let alone power AI, fight fraud, or support a personalized claims journey.

At the heart of it all is a problem that rarely gets the attention it deserves: identity.

Not "identity" in the abstract. The real, operational identity of a policyholder—the one that exists across quoting platforms, claims systems, underwriting engines, call center scripts, and CRM records. That identity is often incomplete, inconsistent, or duplicated entirely. **And when that happens, everything else starts to unravel.**

- **The first notice of loss (FNOL) becomes a bottleneck.**
- **Life claims stall due to unclear policy ownership or missing beneficiary validation.**
- **Fraud slips through the cracks—or worse, honest customers get flagged.**
- **AI models deliver questionable results.**
- **Customer service misses the mark, again and again.**
- **And opportunities to cross-sell relevant coverage—like bundling life with home and auto—go unnoticed.**

The Problem Behind the Problem:

Insurers know they need to change. They're investing in AI, upgrading core systems, and acquiring insurtechs. But without resolving the identity data that underpins every system, those efforts fall short. And customers notice.

This ebook is about the problem behind the problems. It's about why identity data is the missing link in so many modernization efforts and what it really takes to unify policyholder data across systems, lines of business, and touchpoints. If you can't trust your policyholder data, you can't truly transform.

Let's talk about what's broken and what it will take to fix it.

> **Nearly one-third of dissatisfied claimants switched carriers in the past two years, and another 47% considered doing so.[1]**

The Problem:
Disconnected Identity Data

Insurance is built on trust, and trust begins with knowing who you're working with. Yet, in too many organizations, the data that defines a policyholder is fractured before the first claim is ever filed.

The problem isn't just legacy systems (though those don't help). It's the fact that most carriers still can't see a policyholder as a single person, household, or entity across their own ecosystem.

One customer might show up under three different names in three different systems—policy, claims, and billing—each record with slightly different information. Multiply that across years of mergers, system upgrades, and third-party data feeds, and you have a confusing jumble of data.

When identity data is inconsistent or duplicated, it creates more than operational inefficiency. It introduces risk.

- **Claims slow down at FNOL because adjusters need to verify or reverify who the customer is.**
- **Fraud detection falters when the system can't see the relationships between people, policies, and assets.**
- **Underwriting becomes reactive instead of proactive because key risk indicators are hidden or disconnected.**
- **Customer service falls short—not because representatives don't care about claimants, but because they're flying blind due to inaccurate or incomplete data.**
- **In life insurance, verifying the death of a policyholder, confirming beneficiary relationships, and identifying rightful claimants becomes a manual and error-prone process.**

The Cost of Fragmented Data

Without unified identity, insurers miss the bigger picture—a customer who owns multiple policies across lines may be treated like five different people. And every attempt to modernize, from implementing AI models to migrating to a new CRM, is built on top of this shaky foundation. New tools surface old problems faster. And many insurers end up blaming the tech when the real issue is the lack of clean, consistent identity data.

Data fragmentation isn't a one-time problem. It compounds.

Every acquisition introduces another system, another claims platform, another provider network. Core upgrades and digital transformation programs bring their own data migration challenges. Meanwhile, customer expectations are rising, not waiting.

And the more systems a policyholder touches, the harder it becomes to piece together who they really are. One auto policy. One homeowner's claim. A commercial line through a broker. A decades-old life insurance policy with outdated contact info. All technically correct, but none of them connected.

At the core of all of this is a deceptively simple question: Do you know who your customer is?

Not in theory, but in practice.

In every quote, claim, and call, across every product, relationship, and channel. If the answer isn't an unequivocal yes, then everything downstream from fraud scoring to service routing and risk modeling is compromised.

And when identity isn't resolved, cross-policy visibility suffers. Opportunities to upsell or bundle coverage (life with home, umbrella with auto) never even reach the right customer. Solving this is a business imperative.

The Impact: Broken Claims, Fraud, and Service

You can't optimize what you can't see. And too often, insurers are making high-stakes decisions based on identity data that's incomplete, inconsistent, or just plain wrong.

> **Respondents to the Deloitte Center for Financial Services survey revealed that data security and privacy, data quality, and data integration (internal and external) were the top challenges for implementing gen AI adoption at scale.[2]**

This isn't just a backend IT issue. It's the reason AI models fail to deliver. It's why fraud slips through the cracks or honest customers get flagged. It's also why claims don't move fast, digital experiences feel disconnected, and policyholders get frustrated.

> **77% of senior insurance executives are actively investing in AI, up 16 points from the previous year.[3]**

The AI Advantage: How Insurers Are Re-imagining Risk and Customer Engagement

Insurance organizations are pouring substantial investments into AI to modernize core operations and drive transformative outcomes.

Underwriting:

- Insurers are using advanced analytics and agentic AI to improve risk selection accuracy.
- AI helps automate the intake process, streamlining underwriting workflows.[4]

Claims Management & Fraud Detection

- Heavy investment in AI tools like computer vision, anomaly detection, and multimodal analysis (text, audio, video).
- Expected cost savings range from $80–160 billion by 2032.[5]

Customer Experience (CX)

- AI-powered chatbots and contact-center summarization tools enhance efficiency and empathy.
- LLM-based writing assistants help reduce jargon and support better customer communication.
- Representatives can focus more on complex, high-value interactions.[4]

IoT-Linked Risk Prevention

- Real-time sensor data is being used to predict risks before they occur.
- AI models help influence customer behavior to reduce potential losses.[4]

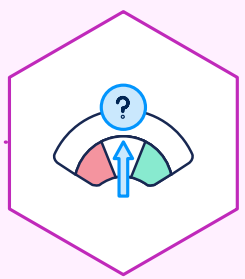
Your AI is Flying Blind

AI is only as good as the data it's fed.

And when identity data is duplicated, misaligned, or fragmented, the model can't see the full picture. It can't recognize that two policies belong to the same household. Or that a customer who called last week is the same one filing a claim today.

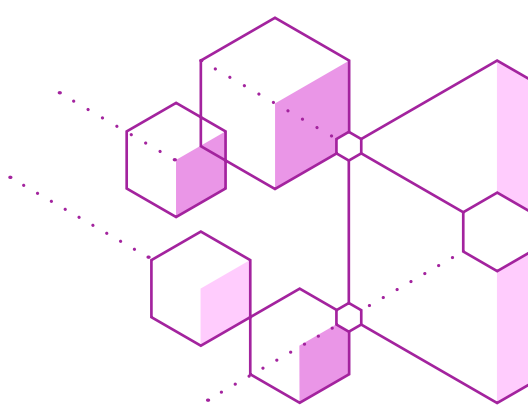
It can't tell that a life insurance claim is valid because it's still asking whether the deceased ever changed their last name.

It can't sort out if someone's moved or just exists in three databases with slightly different spellings.



It can't flag unusual behavior if it can't consistently define "normal."

The annual losses from insurance fraud are estimated at over $308 billion in the U.S., according to the Coalition Against Insurance Fraud.[6]



What's At Risk

When identity records don't align, it's easier for fraudulent claims to slip through undetected or for red flags to be missed entirely.

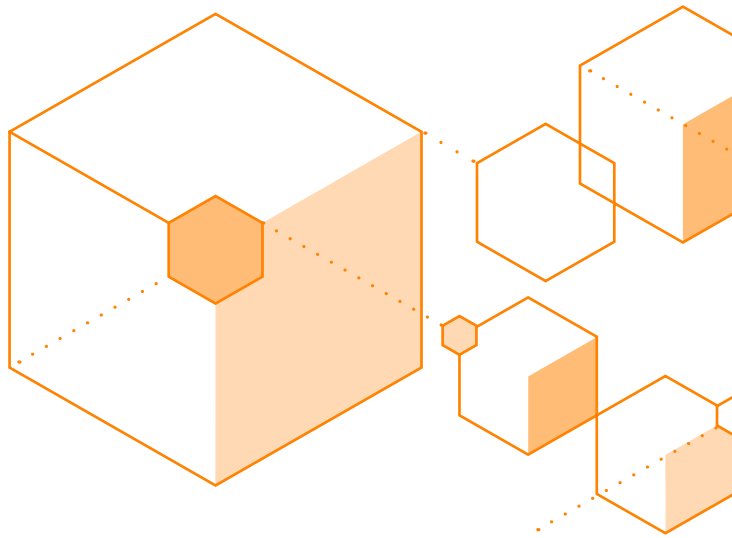
A renter and a landlord with policies at the same address might go unnoticed. A pattern of behavior across multiple claims might never surface. In life insurance, forged beneficiary updates and long-forgotten duplicate policies can quietly become payouts to the wrong person.

False positives go up. Legitimate policyholders get flagged. Trust erodes, and customers leave.

This challenge brings us beyond the bottom line; it's customer patience, brand credibility, and long-term growth at risk too. Because when a P&C claim drags out, it's frustrating. But when a life claim drags out, it's personal.

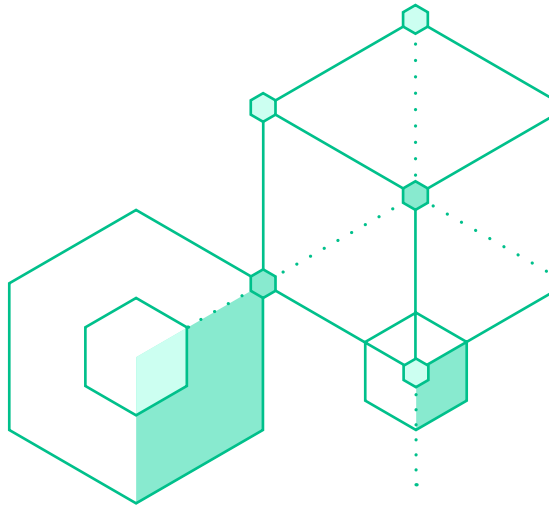
And don't forget the upside you're missing. That growing household with a home, two cars, and a new baby? You won't upsell life insurance, nor retain the next generation, if your system thinks they're three unrelated people.

The more fragmented your systems are, the harder it is to detect risk, engage customers, and deliver meaningful value. **Without a consistent identity, no AI, CRM, or marketing platform can fix it.**



Up to $170 billion of insurance premiums could be at risk in the next five years due to poor claims experiences, with process inefficiencies in underwriting potentially costing the industry another $160 billion over the same period, according to a new report from Accenture.[7]

The Solution:
Unified, Trusted Identity



Modern underwriting and marketing strategies rely on more than just clean data—they require context. Today's insurers need to understand not only who a customer is but also how they're connected to other people, policies, properties, and risks. That requires more than accuracy—it requires enrichment.

When identity is enriched with household structure, asset linkages, behavioral patterns, and risk indicators, every part of the business gets smarter.

Underwriting becomes more precise

Risk profiles are no longer built from partial or outdated data. Carriers can see the full context of a policyholder, including linked vehicles, property history, household composition, even potential duplicate applications.

Marketing becomes more relevant.

Outreach is based on actual life context, not guesswork. You know who just bought a house, added a vehicle, or became a parent and can reach them with the right offer at the right time.

Fraud models become more proactive.

With a complete view of connections across policies and people, systems can detect suspicious activity earlier—before a payout is triggered or a bad actor moves on to the next scam.

Customer outreach becomes more effective.

Agents and digital systems alike have full visibility into customer relationships, enabling personalized messages, timely updates, and smoother service, without asking people to repeat themselves.

Claims become faster and more accurate.

Whether it's a car accident or a life insurance payout, the right people, policies, and relationships are confidently linked from the start.

Cross-policy insights become actionable.

Insurers can identify life events and household changes in real time, allowing them to recommend relevant coverage before the customer even asks.

Without it, everything is a guess.

Disconnected Data.
Disconnected Experience.

Disconnected data leads to: ⊗ **Misclassified policies** ⊗ **Missed cross-sell opportunities** ⊗ **Shallow engagement**

A household with three policies might look like three separate customers.

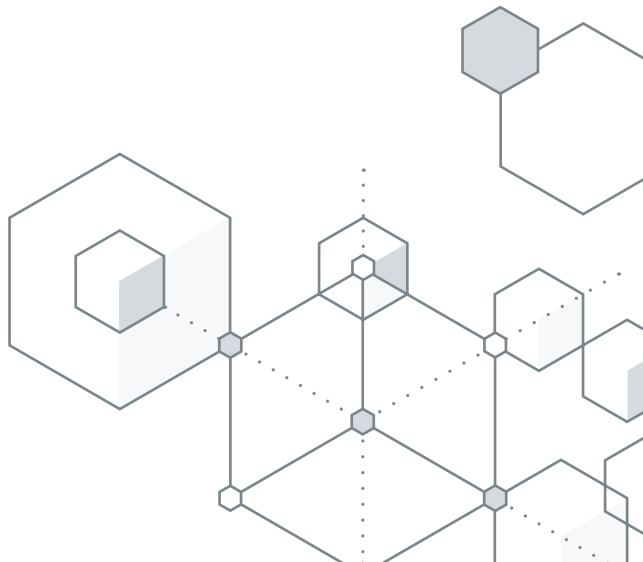
A life insurance claim might miss a key beneficiary update.

And a customer's growing needs might never trigger the right offer, because their data lives in silos.

The cost isn't just operational; it's reputational. Delays in confirming ownership or validating a beneficiary don't just stall payments—they erode trust at exactly the moments when people expect compassion and clarity.

Unified identity fixes that. It makes every part of the policyholder journey, across every product, feel like it's coming from one company that actually knows who it's talking to.

Enrichment brings clarity. And clarity brings results.



What Good Looks Like

Identity resolution isn't a back-office upgrade. It's how leading insurers are rebuilding trust, cutting costs, and opening new growth channels across every line of business.

Carriers that get identity right don't just have cleaner records. They operate with clarity, precision, and speed because they're not second-guessing who their customer is, what coverage they have, or what life changes they're navigating.

These future-ready insurers share five core capabilities:

1. Identity becomes real-time and reliable

Data isn't lagging behind the customer, it keeps pace with them. From onboarding to claim to renewal, systems can confirm who someone is, what they own, and who else is connected to them—instantly and consistently.

2. Identity flows bi-directionally across systems and teams

No more golden records hidden in silos. Policy updates made in one place are reflected everywhere they matter—CRM, claims, marketing, servicing, even third-party partners.

3. Data becomes enriched and contextual

It is not just "John Smith, policyholder." It's John Smith, homeowner, father of two, driver of two insured vehicles, and owner of a recently issued term life policy. With enriched identity, insurers see real relationships, life stage changes, and behavioral patterns that help drive smarter decisions.

4. Identity is embedded in the daily workflow

You shouldn't need a separate dashboard to recognize your customer. Clean, connected identity data is embedded inside the tools your teams already use—no extra clicks, no guesswork.

5. Governance is built in

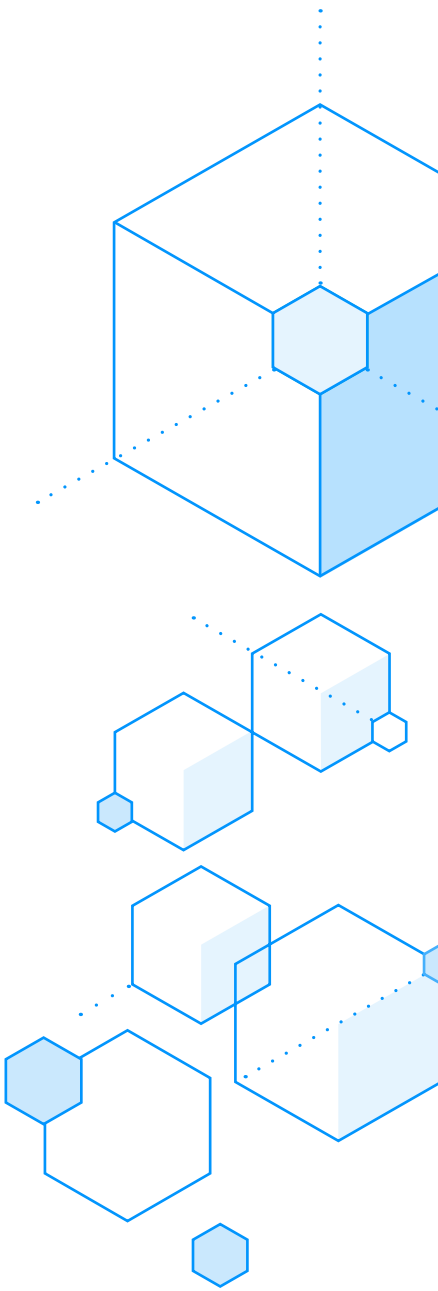
Trust isn't just about accuracy—it's about accountability. With audit trails, resolution transparency, and role-based controls, insurers can prove who changed what and when. That's compliance by design.

This is what good looks like. And in a market where speed, personalization, and trust are non-negotiable, it's what competitive looks like too.

Before and After Identity Resolution

When identity is resolved, everything works better.

Function	Before Identity Resolution	After Identity Resolution
Claims	FNOL delays, manual beneficiary verification, missed policy links	Real-time validation, faster payout decisions, and full visibility across related policies
Fraud Detection	Inconsistent signals, false positives, siloed investigations	Linked identities, behavioral context, and early detection across people, assets, and claims
Underwriting	Incomplete profiles, outdated risk factors, duplicate applications	Contextual risk scoring with enriched data, household insights, and life-stage awareness
Marketing	Mis-targeted offers, wasted spend, missed upsell moments	Precise segmentation and outreach based on life events, policy history, and household composition
Customer Service	Repetition, disjointed experience, no shared view across lines	Unified and personalized view of each customer and household—one conversation, not five disconnected ones
Compliance	Manual audits, unclear data lineage, ownership verification delays	Built-in audit trails, verified identities, and seamless beneficiary validation



Conclusion:
Fix Identity, Fix Insurance

Transformation doesn't start with new tech. It starts with knowing who your customer is and being able to prove it every time it matters. That's why forward-looking carriers are rethinking identity from the ground up.

They're not treating it as an integration project. They're treating it as the foundation of how insurance works—across every product, system, and customer interaction. They're resolving identity in real time, enriching it with context, syncing it across silos, embedding it in claims, marketing, underwriting, and service.

Because when you know exactly who your customer is, what policies they own, who they're connected to, and where they are in life, everything else works better.

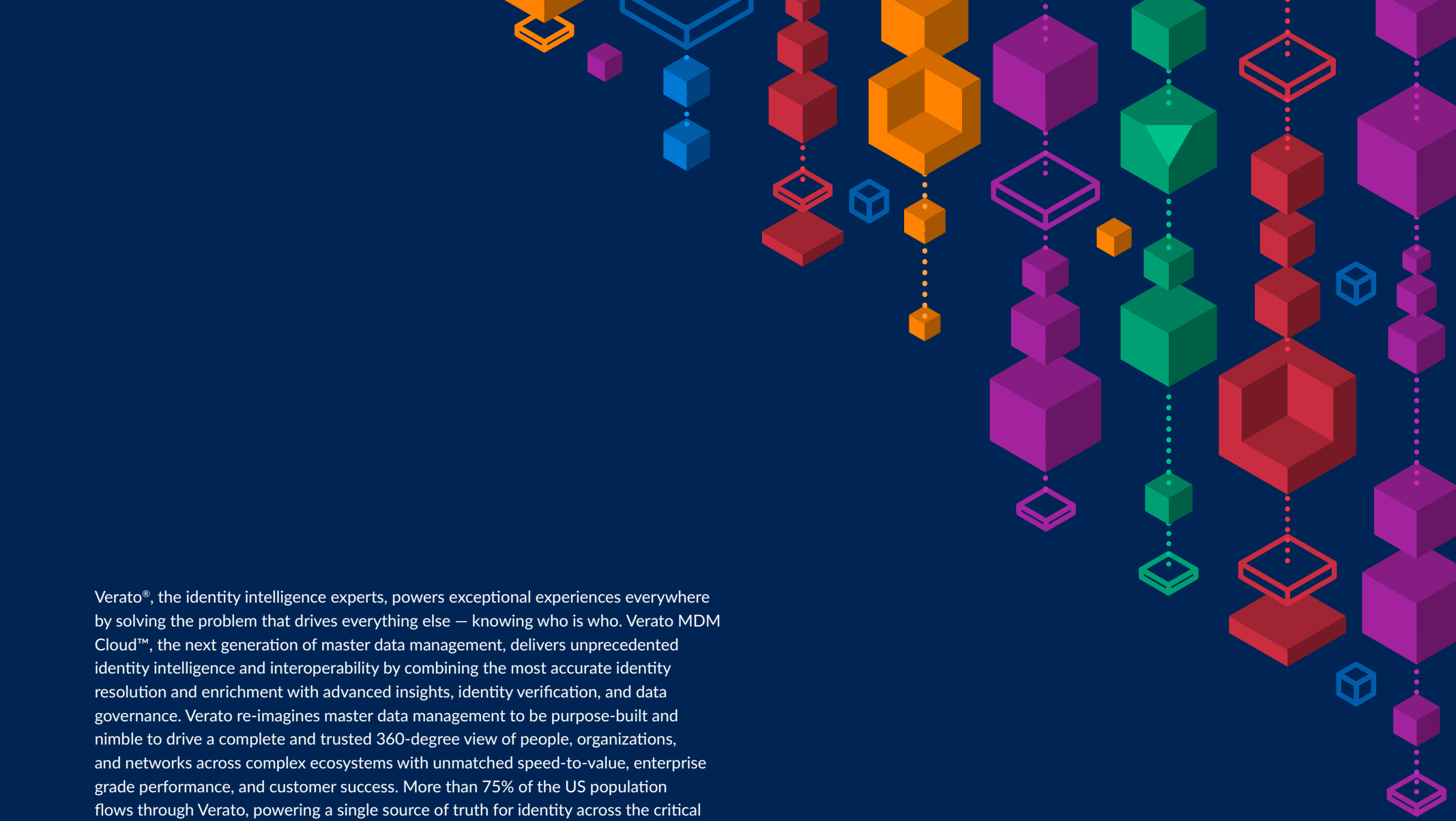
The future of insurance— P&C, Life, and beyond—is built on complete, consistent, connected identity data.

And it starts now.

Reach out, we'll help you get there!

Sources

[1] Accenture, 2022 Claims Experience Survey
[2] Deloitte, 2025 Global Insurance Outlook
[3] Insurance Thought-Leadership, Insurance: An industry Embracing AI
[4] WSJ & Deloitte, How AI Could Transform the Insurance Industry
[5] Insurance Journal, An Execs Eye AI for Fraud Detection
[6] Coalition Against Insurance Fraud
[7] Accenture, Poor Claims Experiences



Verato®, the identity intelligence experts, powers exceptional experiences everywhere by solving the problem that drives everything else — knowing who is who. Verato MDM Cloud™, the next generation of master data management, delivers unprecedented identity intelligence and interoperability by combining the most accurate identity resolution and enrichment with advanced insights, identity verification, and data governance. Verato re-imagines master data management to be purpose-built and nimble to drive a complete and trusted 360-degree view of people, organizations, and networks across complex ecosystems with unmatched speed-to-value, enterprise grade performance, and customer success. More than 75% of the US population flows through Verato, powering a single source of truth for identity across the critical industries of healthcare, life sciences, financial services, public sector, and beyond.

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Knowing who is who™