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Analysis of Insurtech Innovation Development in Accelerating The Claim Process and Improving Service For Insurance Participants at PT. Chubb Life Medan

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Abstract: The development of innovation in the insurtech industry has become important in improving the efficiency of the claims process and services for insurance participants. This study aims to analyze the development of insurtech innovation in accelerating the claims process and improving services for insurance participants at PT Chubb Life Medan. The research method used is a case study by conducting interviews and direct observation of the claims process and existing services. The results showed that the use of technology in the form of mobile applications and online platforms has succeeded in accelerating the claims process and increasing the satisfaction of insurance participants. The implication of this research is the need to continue to encourage the development of insurtech innovation to improve efficiency and quality of service for insurance participants at PT Chubb Life Medan.

Keyword: Insurtech, Claims Process, Service Improvement, Insurance.

INTRODUCTION

The insurance industry is currently facing major challenges in the digital era. Insurtech innovation is a solution to accelerate operational processes and improve insurance participant services. PT Chubb Life Medan needs to keep innovating to stay relevant in a dynamic industry. Chubb Life presents online claim services through a customer portal (customer corner) where in this portal customers can also view information about policies, proposals, transaction and claim status, investment value information, and various other information.

This research aims to analyze the development of Insurtech innovation at PT Chubb Life Medan, especially in accelerating the claims process and improving insurance participant services. Digital transformation promises efficiency, risk minimization, and more personalized services. (Kumaran, 2022).

The observed phenomenon is caused by people's lack of awareness of technology, which results in them not utilizing the benefits offered. For example, in this case, people should be able to make claims through the portal provided by Chubb Life Medan without

having to meet agents or come to the physical office. This aims to reduce the risk of fraudulent premium payments by irresponsible agents, which in turn can hinder the claims process. In sharia insurance, such cases are referred to as "uncertainty" (gharar), which is done to reduce the risk of uncertainty in transactions.

The development of information technology, especially Insurtech, opens up opportunities for insurance companies to redesign their processes, create responsive solutions, and strengthen relationships with insurance participants. This research is relevant to explore the integration of Insurtech innovation by PT Chubb Life Medan in responding to market demands and providing added value to insurance participants. By understanding the steps and challenges faced by PT Chubb Life Medan in adopting Insurtech innovations, this research is expected to provide a comprehensive view of the impact of technological change on the claims process and insured experience.

The concept of InsurTech (Insurance Technology) is a breath of fresh air for the conventional insurance industry in Indonesia. InsurTech, which stands for Insurance Technology, refers to the use of internet technology to simplify and improve insurance services. The main advantages of this concept include easy access to information and insurance processes that can be done simply by using the internet on a smartphone. Another advantage that can be felt is the reduction of paper or paperless activities that will help reduce pollution on Earth. With the planned implementation of the Insurance Technology or InsurTech concept, the traditional insurance industry in Indonesia can now utilize new effective options not only to manage insurance activities efficiently but also to reduce costs associated with supporting their business operations.

In an Islamic perspective, the concept of Insurtech can be seen from the foundation of Islamic theory that refers to the principles of sharia in the insurance industry. This theory can be explained from an Islamic perspective and the values contained in religious teachings. The originators of this theory may come from Muslim scholars and scholars who study financial and technological issues in the context of insurance. They may combine Shariah principles with technological developments in the insurance industry to create an Insurtech concept that is in line with Islamic values. The theory of Insurtech from an Islamic perspective may emphasize the importance of transparency, fairness, and compliance with sharia principles in the development of insurance technology. This may include the application of technology to ease the claims process, more effective risk management, and increased accessibility for the public in obtaining sharia-compliant insurance protection.

Islam does not prohibit us from having both conventional and insurtech insurance. This is regulated in the DSN-MUI fatwa No. 21/DSN-MUI/X/2001 concerning guidelines for the conduct of Sharia-based insurance. According to the view of scholars, Sharia protection rules are called Ta'min, Takaful, or Tadhmun, which is an occupation to secure and help several groups/parties through interest as a resource and additional tabarru which provides an example of how to deal with managing opportunities through certain activities (commitments) according to Sharia.

Previous research by Abdul Ghoni in a study entitled "InsurTech and the New Islamic Insurance Model: Case Study of Claim Sharing in Laka Bicycle Insurance, London", which discusses the claim sharing model scheme and InsurTech development strategy that has the potential to increase the market share of Islamic insurance in Indonesia, as has been proven successful by Laka Bicycle Insurance in London. (Ghoni A, 2020).

Husain Hamid Hisan explained that insurance is an organized collaboration between many people to help each other face risks. When one is hit by a disaster, contributions from all participants are used to cover the loss. (Sugen, 2022).

In the journal "Hari Sutra Disemadi," about the existence of insurtech in Indonesia, not only at the level of packaging, the difference between insurtech and conventional insurance also includes concepts and operational systems. The contract applied in insurtech is an

agreement between participants and insurance companies that does not contain elements of gharar (fraud), profit (maysir), usury, persecution (zhulm), or bribery (risywah). The purpose of the contract is to help each other by hoping for the pleasure of Allah SWT. There are 3 (three) types of contracts that need to be known in the application of insurtech services, namely: (1) *Tijarah*, is any form of contract that is carried out for commercial purposes. The commercial purpose in insurance services is *mudharabah*, where the company acts as a 'manager' of *mudharib* funds obtained from premiums of insurance participants who act as 'policyholders' *shahibul mal*. (2) *Tabarru'*, is a 'contract' in which the party whose rights have been terminated voluntarily waives their rights, thus canceling the obligations of the party who has not fulfilled their obligations. Furthermore, the funds collected will be used for insurance claims for participants affected by losses. (3) *Akad wakalah*, in which participants authorize the insurance company for imbalances in the provision of *ujrah* (fees). The company is only a fund manager so it cannot utilize investment losses except due to default or carelessness. (Hari, 2020).

The existence of insurtech with conventional insurance has no difference in principle. It only lies in the convenience provided to insurance participants. Insurtech service participants can more easily submit claims because they can be accessed anywhere and anytime via a smart phone or computer connected to the internet. Insurtech is believed to support the expansion of the utilization of protection goods through the arrangement of basic miniature protection goods combined with web-based business stages, making it easier for buyers to obtain protection goods.

METHOD

This research uses a qualitative method that involves primary data collection through interviews with relevant parties in the company, as well as secondary data collection from related literature. Descriptive analysis was used to study related literature and conduct interviews with relevant parties at PT Chubb Life Medan. The results of this study show that the use of Insurtech innovation at PT Chubb Life Medan has successfully accelerated the insurance claim process and improved the service experience for insurance participants. However, there are still some challenges that need to be overcome in implementing Insurtech innovation effectively. This research is expected to provide insights and recommendations for PT Chubb Life Medan and the insurance industry as a whole in developing Insurtech innovation. In this study, the focus population is insurance participants who are members of PT Chubb Life Medan.

RESULTS AND DISCUSSION

Insurtech Innovation Development at PT Chubb Life Medan

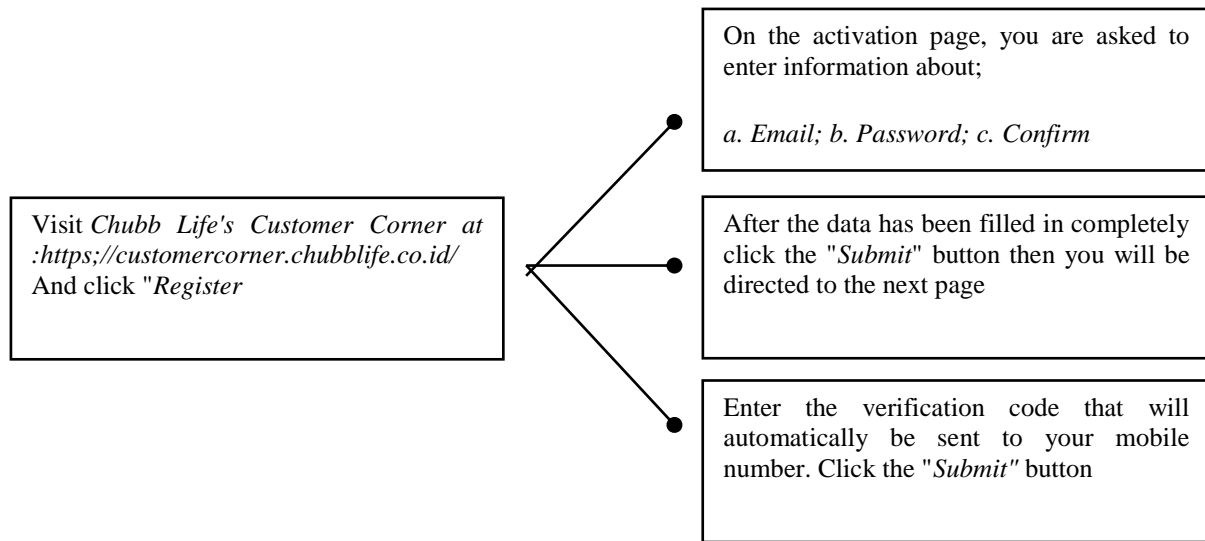
PT Chubb Life Insurance Indonesia, known as Chubb Life, plans to enhance its services by integrating digital technology solutions by 2024. Chubb Life Indonesia is also committed to supporting the vision of the Financial Services Authority (OJK) to raise the level of financial literacy by initiating various programs designed to strengthen the financial readiness of Indonesians.

Furthermore, Chubb Life is looking to expand its distribution reach to connect with a wider range of customers, and provide more adaptive and convenient purchasing methods for its consumers. This includes forming partnerships with innovative distribution channels including fintech, e-commerce platforms and InsurTech startups.

Chubb Life Medan has access to a website called Customer Corner which can be seen by prospective customers and has various information and facilities such as: 1. Information related to proposals, policies, and investment balances; 2. List of partner hospitals; 3. Latest updates on claim status; 4. Express Claims; 5. Transaction information and e-Statements; 6. Unit price information and fund fact sheets; 7. Letter of investment value information (as of

December 31 for tax reporting); 8. Change personal data independently such as telephone numbers, correspondence addresses, email addresses, and correspondence delivery options.

Here is how to activate prospective insurance participants to enjoy the features available at Chubb Life (Customer Corner):



The development of insurtech innovation at PT Chubb Life Medan is a smart step to improve the company's competitiveness in the insurance industry. Based on research at PT Chubb Life Medan, customers can access the claim process through a portal provided by Chubb Life via email (only for those who have a policy). This facility applies to all insurance products except "Life Insurance", as it requires in-depth investigation and disbursement of high value claims. Customers who wish to claim life insurance products must come directly to the company to explain the risks incurred so that the investigation can run smoothly and the claim process can be processed immediately.

Claims worth approximately Rp. 5,000,000 can be processed through the portal with a maximum disbursement time of 1 hour to 1x24 hours. The following is the development of insurtech innovation in the claims process at PT Chubb Life Medan which can be accessed through the Chubb Life website (Customer Service):

1. Chubb Claims Center

Submit your Accident & Health Insurance or Travel Insurance claims through www.chubbclaims.com, chubb's digital claims gateway designed to simplify the submission and tracking of customer claim progress.

- a. Digitally enhanced - Recognizing the importance of time, chubb is constantly looking for innovative methods to expedite claim settlements. The chubb online claims interface allows policyholders to submit claims around the clock, every day of the year, using any internet-connected device such as a smart phone, laptop or tablet.
- b. Expedited Process - The standard duration for filing a new claim is less than nine minutes, a substantial improvement compared to conventional filing methods. Instant confirmation and a unique tracking number will be provided, making it easier for you to get updates on the status of the customer's claim.
- c. Simplified Inquiries - The portal only asks questions related to the claim, simplifying the procedure especially for claims that do not require additional documentation or further evaluation.
- d. Self Upload - All relevant claim documents can be uploaded directly by the customer, minimizing further information requests from Chubb and thus shortening the processing timeframe.

- e. Adaptive Flexibility - The Chubb claims portal offers extensive customization options for broker partners and clients, ensuring a smooth and efficient claims processing experience.
2. Chubb Online Claims Portal
- The Chubb Claims Portal enables Chubb's broker associates and policyholders to submit claims online with ease, with the ability to fast-track claim progress. Claims related to Accident & Health Insurance and Travel Insurance can be submitted at any time via www.chubbclaims.com.
- Types of insurance coverage include: Travel Vacation, Personal Accident, Critical Illness, Hospitalization, and more. Steps for filing a claim:
- a. Ensure initial documentation by saving evidence or taking pictures of the damage/loss as soon as it occurs.
 - b. Report any incident no later than 72 hours after the loss. This can be done by calling our customer service hotline at 1500 257, sending an email to contact.id@chubb.com, or by visiting the main branch office or nearest branch by making an appointment through the customer hotline.
 - c. After verbal notification, please submit a comprehensive written claim report immediately, including third party claims.
 - d. Fill out the claim form relevant to your coverage, attaching all supporting documents and a chronology of events.
 - e. A Chubb claims officer will contact you for next steps.

My Claim Report Process



Keep Your Sessions Active

For security reasons, your session will end after 20 minutes of inactivity and any progress you have made will be erased. We understand that searching for claim documents can take some time, so we encourage you to move your cursor around the screen occasionally to keep your session from being interrupted.



Complete Form Filling in One Period

For security reasons, this form must be filled in at once as your progress will not be saved. By keeping your session active, you allow this process to continue without interruption. If you need more time or want to complete this form without an internet connection, you can download the pdf form from the link provided.



Send it as soon as possible

We can handle your claim more efficiently if this form is fully completed. If you are unable to provide all the optional information now, we recommend that you still submit your claim today. This way, we can start processing your claim, and you can fine-tune any details or optional information at a later time.

The Role of Digital Technology in the Management of Islamic Insurance

In the context of sharia-based insurance, the need for digital technology in the management of sharia insurance can also be seen from the credit-based claim sharing model that has been proven to be sharia-compliant, successful, and has been well implemented in London, UK. However, according to Ghoni, further research is still needed to develop the claim sharing scheme to be in accordance with sharia regulations and concepts in Indonesia. Ghoni also stated that currently there is no sharia InsurTech officially registered in Indonesia, which is a big challenge for all of us considering the rapid growth of sharia fintech in Indonesia, while InsurTech is still lagging behind.

The theoretical foundation explained in the journal "Hari Sutra Disemadi" about the existence of insurtech in Indonesia includes the basic concepts of insurtech and its differences with conventional insurance, including the principles of contracts applied in insurtech. In this context, there are three types of contracts that need to be understood in insurtech services: *Tijarah*, *Tabarru'*, and *Wakalah* contracts.

In the ever-evolving digital era, technology has played an increasingly important role in various fields, including in the management of Islamic insurance. Sharia insurance, which is based on the principles of Islamic sharia, has its own uniqueness in its operations. In this context, digital technology, also known as insurtech, is a key factor in improving efficiency, transparency and service quality in the Islamic insurance industry. Through the application of digital technology, various innovations can be realized to meet the needs of Islamic insurance participants more effectively and in accordance with the sharia principles that are the basis of this industry.

Impact of InsurTech on the Insurance Claiming Process

The main factor that spurs InsurTech service innovation is the ease of filing claims. This is a step that can increase understanding of insurance and contribute to the development of insurance companies. The advantages of online insurance include: First, it eliminates the need for direct interaction: Customers do not have to meet the sales team in person, with the deal being explained and communicated in an uncomplicated way. If there are potential customers who want to join but are reluctant to interact directly with agents, the online option is a solution; Second, time and place flexibility: Online insurance removes geographical and time constraints, allowing customers to transact insurance anytime and anywhere, which saves time compared to visiting an agent; Third, effective comparison of protection costs: Online insurance presents an option for clients to compare protection costs in an easy way, allowing clients to evaluate and compare costs through online platforms without the need for face-to-face meetings with agents; Fourth, convenience in decision making: With online insurance, clients are given the freedom to consider and choose their insurance policy more thoroughly and without any pressure, online insurance allows clients to do in-depth correlation and exploration before making a decision; Fifth, access to item reviews: Buyers get access to protection reviews from individuals who have just applied, clients can peruse protection reviews before making insurance decisions.

By utilizing insurtech services, the claims process becomes easier, more efficient, and more profitable for consumers. Factors such as convenience, flexibility, cost analysis, planned decision-making, and access to reviews provide a better online insurance experience that suits the needs of modern consumers.

The Effect of Insurtech on Insurance Participant Services

Insurance companies today can reduce the use of their time in communicating endlessly with prospects. Instead, customers now have the ability to obtain insurance quotes online and seamlessly integrate their data into the insurance company database. This significantly increases the efficiency of the sales process.

Consumers also have the opportunity to explore insurance options on their own time, without the need to adjust their schedules to the availability of sales agents. This is particularly true of online insurance comparison facilities, which give customers more autonomy in reviewing and comparing insurance alternatives at a time of their choosing.

The influence of insurtech on the service experience of insurance participants is significant and brings various positive changes. Here are some of the main impacts of insurtech on the service experience of insurance participants:

1. **Ease of Access and Online Services:** Insurtech enables insureds to access information and services online, so they can manage their policies, get claims, or ask questions without having to visit the insurance office in person. Furthermore, 24/7 access through digital platforms increases the convenience of insurance participants.
2. **Fast and Automated Claims Process:** Insurtech technology, such as artificial intelligence, speeds up the claims process with automated processing. Furthermore, insureds can submit claims online and get faster responses, reducing claim settlement time.

Service Personalization: Insurtech enables personalization of services based on the data collected, allowing insurers to provide solutions that better suit the needs and profiles of participants. Then, customized product offerings and advice increase service relevance.

CONCLUSION

Analysis of the development of insurtech innovations shows great potential in accelerating the claims process and improving the service experience for insurance participants at PT Chubb Life Medan. The benefits of advanced technology integration, better accessibility, and opportunities for more responsive customer service are key drivers. However, the challenges of data security, slow technology adoption, regulation and competition are things that need to be addressed.

Companies must be able to focus on developing strong security systems to strictly protect the data of insurance participants. Companies are able to provide education and training to insurance participants on the benefits and security of insurtech innovations to increase technology adoption. Companies can ensure that insurtech innovations comply with provisions and regulations related to data privacy and security.

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