sprout.ai

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AI FOR FOR PROPERTY INSURANCE CLAIMS

Improve coverage decisioning quality, grounded in the policy and endorsement terms

OVERVIEW

Accelerated coverage decisions on every claim, with no policy document left unchecked

A property claim is not decided against a policy alone. It is decided against the policy and up to 30 endorsements beneath it, including a chain of renewals, extensions and reductions to coverage built up over the lifetime of the policy. At first notice of loss (FNOL), an adjuster weighs that history, the terms and conditions, and the endorsements that changed them against a two-line loss description to make an initial coverage decision.

Doing this quickly, making assumptions or missing important details can create two kinds of error. An incorrect coverage decision surfaces, the policyholder appeals, the file is reworked, the decision is corrected. A missed exclusion does not: it is paid, the file closes, and nothing flags it again, creating leakage. Over a book of claims, both carry through to profitability and to the policyholder experience.

Sprout.ai's policy checking and coverage AI agent reads the policy, its endorsements and the loss together, identifies the governing document, then grounds the coverage recommendation in the terms that actually apply. Sprout.ai integrates with Guidewire and other claims management systems, while the Sprout UI surfaces recommendations in a consistent way every time. Embedded within your chosen claims workflow, it gives adjusters the benefit of AI-assisted recommendations without requiring them to leave the systems they already use.

Sprout.ai recommends. Your adjuster decides. Every recommendation carries the governing document, the clause applied and the reasoning so any outcome can be reviewed, overridden, or explained to a policyholder or a regulator.



THE CHALLENGE

Manual policy review takes more time than adjusters have. Coverage decision quality suffers, taking indemnity and policyholder experience with it.



A declaration page alone is not enough for a coverage decision. Endorsements and policy terms still matter. Generic AI can read them, but reliable coverage decisions require AI built for insurance.

When claims are excluded, manual review fails

Benchmarked against a gold-standard dataset, adjusters of differing tenure reached the correct outcome on up to 98% of covered claims. Coverage accuracy is not the problem. Finding the claim that is not covered is, and up to 30% of them are paid incorrectly.

Coverage is decided by the endorsement, not the policy

Each customer may hold multiple policies, with up to 30 endorsements beneath them, and every one has to be considered against the loss reported. The declaration page rarely settles the claim on its own. A hidden-mould exception, a service-line endorsement or a limited-fungi sub-limit will reverse or qualify what the core policy gives. Establishing which document prevails is the first decision, and it comes before any reasoning about the loss itself.

Manual endorsement review caps throughput

Your most experienced adjuster and your newest adjuster should reach the same answer on the same claim. In reality, high claim volumes and time pressure leave less time to review the detail, which can lead to different judgements or important details being missed.

The excluded cause and the covered damage both need assessing

A cause of loss may be excluded while the resulting damage is covered, depending on the circumstances. Treating a property claim as simply covered or not covered can get this wrong in both directions. Assessing the cause of loss separately from the resulting damage is a key part of coverage interpretation across property claims.

Loss descriptions are limited

FNOL free text is short, written at speed, and may be the only information available for the initial coverage assessment. Some claims cannot be decided from the information provided at FNOL and require supporting evidence or further investigation. Forcing a covered-or-not-covered decision too early can lead to conclusions the available evidence does not support.

The answer depends on who picks up the claim

The same claim can produce different outcomes depending on who reviews it. In reality, there is volatility in judgement calls like these. Depending on adjuster experience and potential assumptions, the decision may differ.

THE CHALLENGE

From claim data to decision

Claim dimension	What Sprout.ai contextualises	What it returns
Policy bundle	The document payload as it arrives, declaration pages, endorsement documents and core policy wording, across the policy and its renewals	What each document is, the policy type, the coverages and limits stated on the declaration page, the endorsements in scope, and whether anything further is needed to reach a judgement
Prevailing document	Multiple policies per customer, renewals, and up to 30 endorsements beneath each, against the date of loss	Which document governs this claim, which endorsement overrides the base form, and why that one prevails
Coverage	Declarations, endorsements and riders, against the loss described	Whether the loss is covered or excluded, and the clause that says so
Limits and cost-sharing	Coverages A, B and C, sub-limits, deductibles	The limits that apply, and any sub-limit that caps the outcome

THE CHALLENGE

From claim data to decision

Claim dimension	What Sprout.ai contextualises	What it returns
Loss evidence	FNOL notes, loss and damage descriptions, and supporting documents	Cause of loss, damaged items and place of occurrence
Cause and consequence	The peril claimed, against the damage described	Which part of the loss is excluded at source, and which is covered as ensuing damage
Policy period	Policy dates, renewals, cancellation and reinstatement history	Whether the loss occurred inside a covered period, and which coverages apply during it
Completeness	What was submitted, against what the coverage decision needs	Whether there is enough to make a coverage decision, or what is missing and who supplies it
Recommendation	All of the above, taken together	The recommended coverage position, the governing clause, and the reasoning that connects them

HOW SPROUT.AI IMPROVES CLAIMS PERFORMANCE

More non-covered claims identified. Less time per claim. Consistently high accuracy at scale.

How can property insurers get a full coverage check on every claim without adding adjusters?

Sprout.ai runs a set of specialist AI agents on every claim, each assessing a different dimension, and assesses the findings into a single coverage recommendation.
The pipeline is built from Sprout.ai's core AI agent building blocks, tuned to the demands of property coverage assessment.

Benchmarked against adjusters.

Sprout.ai identified 30% more non-covered claims than a quorum of adjusters reviewing the same claims.

Proven in production.

Sprout.ai delivers consistently high decision accuracy, performing in the top quartile, while cutting policy-checking time by around 45% for complex claims. This helps reduce indemnity exposure and gives adjusters more time to focus on claims that require their judgement.

Policy bundle understanding AI agent

Classifies incoming documents as declaration pages, endorsements or core policy, identifies the policy type, coverages, limits and applicable endorsements, then checks all documents needed for a judgement are present.

Triage AI agent

Reviews the loss description and FNOL data to establish the cause, damaged items and location, then assesses whether a coverage decision is possible. If not, it returns 'more information needed', explaining why and what is missing.

Inside the workflow you already have

Sprout.ai receives claim data and document bundles from Guidewire (or your existing CMS), returns the recommendation and reasoning to the adjuster, and writes it back as a Guidewire note. No core system replacement, and no change to how the claim is worked.

Policy checking and coverage AI agent

Establishes which declaration page or endorsement prevails for this loss on this date, across renewals and up to 30 endorsements. It then applies its terms: exclusions, sub-limits, deductibles, and the endorsement. Separates an excluded cause of loss from covered resulting damage when both are present in a claim, a distinction that appears across the majority of property claims. Returns the coverage position and the reasoning behind it.

Review stays with your team

Sprout.ai recommends; your adjuster decides. Every claim carries a manual touch point today, and in this deployment that was a state regulatory requirement. Where the regime allows it, you configure which recommendations route for review and which do not. Sprout.ai does not close a claim, and accountability for the outcome stays with you.

The recommendation

The AI agents' findings resolve into one output per claim: the recommended coverage position, the governing document, the clause applied, and the reasoning that connects them. The findings are traceable back to the document, section and page it came from, and processed within Guidewire (or equivalent CMS), where the adjuster already works.

Tuned by your adjusters, not by developers

Every disagreement is captured as structured feedback and reviewed for systematic gaps, not just logged. New perils onboard on a handful of reference claims, tested against your adjusters' judgement in a non-production environment, then enabled one at a time in production. Ice dam, snow and ice, and freezing were added this way mid-pilot.

THE KPIS SPROUT.AI MOVES

- Non-coverage detection rate
- Indemnity accuracy
- Coverage decision accuracy
- Touch time per claim
- LAE / ALAE
- Claims cycle time
- Claims per adjuster
- Decision consistency
- Override rate

30%+

more non-coverage cases flagged



~45%

time reduction on policy checking in complex claims



99%

accuracy in flagging claims with missing information before they are processed, so adjusters can focus their time on claims ready to be assessed



FREQUENTLY ASKED QUESTIONS

AI for property claims

Q. Is AI actually better than my adjusters at coverage?

A. AI can deliver high levels of decision accuracy and consistency, while reducing the time required for coverage checking. Sprout.ai delivers decision accuracy in the top quartile and has cut coverage-checking time by around 45% for complex claims. This helps apply a consistent approach while giving adjusters more time to focus on claims that require their judgement.

Q. Does automating the coverage check mean AI decides the claim?

A. No. Sprout.ai returns a recommendation with the governing document, the clause applied and the reasoning. The adjuster agrees or disagrees and makes the decision. In this deployment, human review on every claim was a state regulatory requirement and the workflow was built to it.

Q. Why does non-coverage detection matter more than speed?

A. Because the error is one-directional. A claim wrongly paid is indemnity gone; a claim wrongly denied gets appealed and corrected. Adjusters are already accurate on covered claims. The gap is on the other side: Sprout.ai flagged 30%+ more non-covered claims than a number of adjusters reviewing the same claims. Closing that gap goes straight to loss cost rather than expense.

Q. What happens when the loss description is not clear enough to call?

A. Sprout.ai triages before it decides. Where the FNOL does not contain enough to reach a coverage position, it returns what more information is needed and names the missing information, rather than producing a covered-or-excluded answer the evidence cannot carry. In 99% of cases, Sprout.ai correctly identifies whether the claim has enough information to proceed or whether additional information or documentation is needed from the policyholder.

Q. How does Sprout.ai support oversight and regulatory review?

A. Every recommendation records the documents considered, the clause applied, the reasoning, the role of Sprout.ai and the role of the adjuster. That gives you a traceable record of who did what, why and when so any outcome can be reviewed, explained to a policyholder, or reconstructed for an internal, state, NAIC or European regulator.

Q. What happens during a catastrophe surge?

A. Sprout.ai scales with claim volumes, helping insurers process increased volumes without adding pressure to adjuster teams. It continues to assess claims and surface the information adjusters need, even during periods of high demand.

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About Sprout.ai

Sprout.ai is a London-headquartered global technology company transforming insurance claims with AI-powered automation and decision intelligence. Since 2018, Sprout.ai has partnered with leading insurers, MGAs, and TPAs across major markets to deliver real-time, accurate, fair, and compliant decision-making at scale. Customers include AXA, MetLife, AdvanceCare, and Total Scholastic Solutions (TSS).

With proven and rapid enterprise deployment, Sprout.ai helps insurance teams boost efficiency, strengthen compliance, and deliver exceptional customer experiences. Sprout.ai injects intelligence into insurance claims - changing insurance, for good.

Changing insurance, for good.

Contact our claims experts for more information

Contact us

Book a demo

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