

The specialty claims inflection point

From Ecosystem Friction
to Collaborative Growth

Based on comprehensive market research including 250+ survey responses,
expert interviews, and industry validation





Thriving Market on Shaky Foundations - A Market of Opportunity Facing a Moment of Truth

The UK specialty claims market, with the London Market as its global epicentre, is experiencing unprecedented growth and strategic importance, forming a sophisticated and economically influential component of the £47 billion general insurance sector. London Market firms command approximately 43% of global specialty Marine business underscoring the UK's leadership in handling complex, low-frequency, high-severity risks across diverse lines like Professional Indemnity, Medical Malpractice, and Cyber insurance. Yet despite this capital influx, market confidence, and expansion in sectors like MGAs and TPAs, the market's operational foundations are becoming increasingly unstable. This creates a dangerous paradox: robust growth is

outpacing the very processes required to sustain it, exacerbated by systemic inefficiencies in claims triage, collaboration, and decision support, alongside intensifying regulatory demands such as the FCA's Consumer Duty for fair outcomes and transparency. As stakeholders, from MGAs and brokers to carriers and legal firms, face these challenges, the market stands at an inflection point, ripe for innovative, ecosystem-native solutions that enhance efficiency, compliance, and expert judgment to capture emerging opportunities.

MARKET PARADOX: GROWTH ENGINE VS OPERATIONAL REALITY

"The Growth Engine" - Market Confidence is Fueling Expansion

57% of carriers plan to increase capacity allocation to MGAs over next two years

£55.5B Lloyd's GWP in 2024 (6.5% YoY growth)

43% London Market global Marine share

\$26.5B → \$47.1B Global TPA market growth by 2032 (7.77% CAGR)

"The Operational Debt" - Core Processes Are Failing to Keep Pace

77% of MGAs report claims processes require fundamental improvement

+18pp increase from 59% just two years ago

26% face external collaboration challenges (**60% for TPAs**)

60% report technology adoption resistance from leadership

■ Growth Indicators ■ Operational Challenges



The Anatomy of Friction: Four Core Operational Failures

Why the Specialty Claims Ecosystem is Inefficient

Our research, based on a survey of 250+ claims leaders and in-depth interviews, identifies systemic failures creating operational drag, increased costs, and frustrated expert teams. These are not isolated issues but symptoms of deeper structural misalignment.

1. Fragmentation & Collaboration Gaps

- **Problem:** Systems built for single organisations, not multi-party coordination
- **Data:** 26% identify poor external collaboration as major obstacle; **60% for TPAs**
- **Voice:** *"We don't even know who to contact on the follow market sometimes."*
- Head of Claims, MGA

2. Core Process Inefficiency

- **Problem:** Routine tasks consume valuable expert time through clunky, multi-step processes
- **Evidence:** Payment processing consistently cited as daily frustration source across interviews
- **Voice:** *"We're doing six steps just to process one payment. It could be three."* - Marine Claims Director

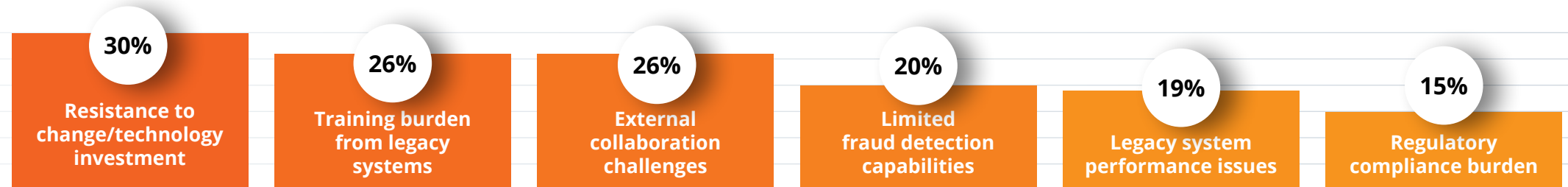
3. Decision Support Deficiency

- **Problem:** Lack of analytical tools for complex judgments leads to guesswork and capital inefficiency
- **Impact:** Forces over-reserving or delayed decision-making across specialty lines
- **Voice:** *"It's hard to quantify D&O claims. I wish we had a reserving tool."* - Claims Handler, Legal TPA

4. Poor Data Quality & Validation

- **Problem:** Systems lack basic validation, forcing manual cleanup before real work begins
- **Risk:** Critical errors go undetected until significant damage occurs
- **Voice:** *"There's no failsafe. If someone enters £200k instead of £20k, no one knows until later."* - Marine Claims Director

PRIMARY OPERATIONAL OBSTACLES BY FREQUENCY





Technology Landscape Analysis

Current Solutions Architecture & Market Gaps

Analysis of established claims management solutions reveals a fundamental choice that forces specialty claims organisations into suboptimal compromises, creating systematic inefficiencies across the market.

ENTERPRISE PLATFORMS:

Comprehensive Coverage with Specialty Market Limitations

Proven Market Strengths:

- Complete operational integration across policy, billing, and claims lifecycle
- Demonstrated scalability supporting 500+ global insurance operations
- Established ecosystem integrations with regulatory and market infrastructure
- Advanced analytics capabilities for fraud detection and performance management

Specialty Claims Limitations:

- Implementation complexity requiring 6-18 months with significant operational disruption
- High-volume processing optimization conflicts with low-volume, high-complexity specialty requirements
- Substantial customisation investments with “paying for unused functionality” being consistent stakeholder feedback
- Deployment approaches that resist the incremental, risk-managed implementation preferences of specialty market participants

SPECIALIST SOLUTIONS:

Deep Domain Expertise with Growth Constraints

Market-Specific Strengths:

- Sophisticated understanding of specialty claims workflows and regulatory requirements
- Pre-configured processes for complex liability assessment and multi-party coordination
- Specialised integrations including Lloyd’s market infrastructure and regulatory reporting
- Rapid deployment capabilities for specific use cases and market segments

Scalability and Integration Challenges:

- Limited ability to support organizational growth beyond initial market segment
- Integration complexity when broader operational requirements emerge
- Dependency on specialist support relationships for ongoing development and maintenance
- Ecosystem connectivity limitations restricting multi-organizational collaboration capabilities





Systematic Market Gaps Across Current Solutions:

- **Multi-Organisational Workflow Coordination:** Existing systems optimise individual organisational efficiency rather than the cross-party collaboration essential to specialty claims processing, creating information silos and coordination overhead.
- **Decision Support for Expert Judgment:** Current approaches either attempt comprehensive automation inappropriate for specialty claims complexity or provide minimal analytical support, missing the opportunity to enhance expert decision-making through contextual intelligence.
- **Risk-Managed Implementation Approaches:** Platform architectures typically require comprehensive organisational commitment conflicting with the conservative, value-demonstration preferences characteristic of specialty market participants.
- **Integrated Compliance Architecture:** Regulatory requirements addressed through add-on functionality rather than foundational design, creating implementation complexity and ongoing maintenance overhead.
- **Market Structure Analysis:** The widespread collaboration challenges reported by 26% of respondents overall (60% for Third-Party Administrators) indicate systematic fragmentation in current technology approaches, with organisations struggling to coordinate effectively across multiple systems and stakeholder relationships

Sources: Future Processing Claims Technology Competitive Analysis 2025





The Path Forward: A Three-Phase Evolution to Ecosystem Mastery

Market Transformation Timeline

Leading organisations will navigate three distinct phases of technological maturity to build sustainable competitive advantage. The ultimate goal: Real-Time Stakeholder Orchestration.

Phase 1: Process Optimisation

- **Focus:** Automate administrative tasks, eliminate obvious bottlenecks
- **Priority:** 36% of leaders cite process improvement as top responsibility
- **Industry Benchmarks:** 15-25% operational waste reduction potential*
- **Evidence:** "Investment needed in integrated, user-friendly platforms" - Claims Director

Phase 2: Expert Augmentation

- **Focus:** AI and analytics enhance, not replace, human expertise
- **Capability:** Contextual insights and decision support for better outcomes
- **Industry Benchmarks:** 30-50% throughput capacity increase potential*
- **Evidence:** Organisations report 20-30% efficiency gains in comparable implementations*

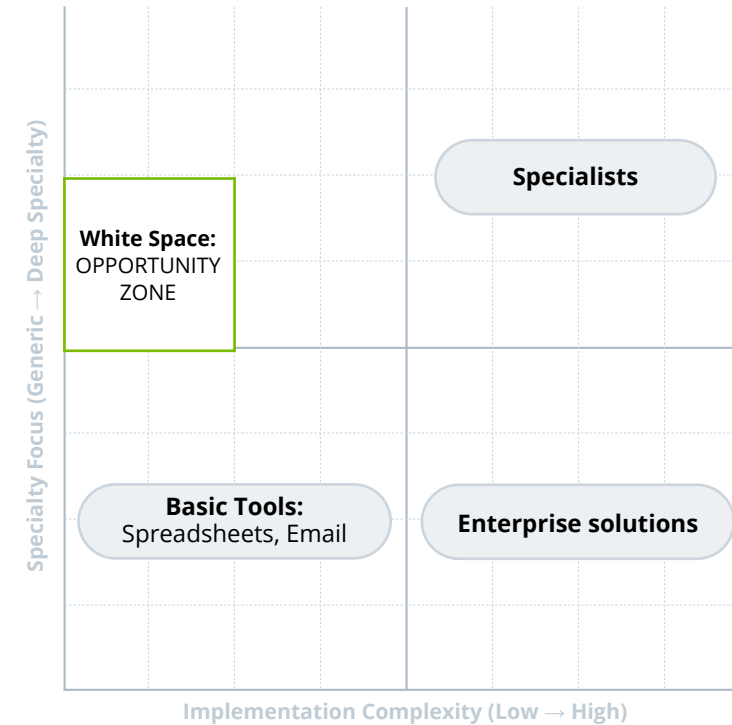
Phase 3: Ecosystem Integration

- **Focus:** Collaborative platforms enabling seamless cross-organisation workflows
- **Vision:** Single source of truth across entire claims value chain
- **Industry Benchmarks:** 20-40% stakeholder satisfaction improvement potential*
- **Impact:** Up to 90%+ retention rates vs industry average*

**Disclaimer: Based on estimates from case studies, industry benchmarks, and survey analysis.*

Source: Analysis based on Specialty Claims Market Report, Future Processing 2025; Comparative analysis of Claims Management System Vendors

CURRENT MARKET POSITIONING VS SPECIALTY REQUIREMENTS



Current Market Validation:

- 60% of surveyed solutions lack modular deployment options
- 83% designed for single-organisation optimisation
- Average implementation: 6-18 months (Enterprise) vs 2-6 months (Specialist)




**Disclaimer: Based on industry benchmarks and comparable process optimisation initiatives*



The Solution: 'Ecosystem-Native' Architecture

Addressing Market Gaps Through Architectural Innovation

The market opportunity lies not in another point solution, but in a fundamentally different architectural philosophy designed from the ground up for collaboration, flexibility, and expert empowerment.

 PILLAR 1 Risk-Managed Implementation	 PILLAR 2 Expert Capability Enhancement	 PILLAR 3 Cross-Organisational Collaboration
<ul style="list-style-type: none">▪ Operational Approach: Address specific operational pain points through targeted module deployment, demonstrating measurable value before broader organisational commitment▪ Business Advantage: Reduces implementation risk whilst enabling rapid time-to-value, addressing the complexity concerns cited by 30% of survey respondents as primary technology adoption barriers▪ Technical Foundation: Modular architecture supporting selective functionality deployment without compromising future scalability or integration capabilities	<ul style="list-style-type: none">▪ Operational Approach: Automate administrative overhead whilst providing analytical support for complex decision-making, preserving the expert judgment that creates value in specialty claims▪ Business Advantage: Senior claims professionals focus time on relationship management and complex analysis rather than routine processing tasks▪ Technical Foundation: Contextual intelligence and pattern recognition capabilities that support rather than replace professional expertise in liability assessment and stakeholder management	<ul style="list-style-type: none">▪ Operational Approach: Enable secure, real-time information sharing across brokers, carriers, legal advisors, and other stakeholders without compromising organisational control or confidentiality▪ Business Advantage: Eliminates information-chasing cycles that create operational friction and stakeholder dissatisfaction, addressing the collaboration challenges affecting 60% of TPAs▪ Technical Foundation: Secure, role-based information architecture enabling stakeholder coordination whilst maintaining appropriate access controls and audit capabilities

The Difference: Rather than optimising individual organisational efficiency, this architectural approach optimises outcomes and relationships across the entire specialty claims ecosystem, addressing the systematic collaboration gaps identified through stakeholder research.



THREE-PHASE MARKET TRANSFORMATION JOURNEY



Most organisations here ▶

● PHASE 1

● PHASE 2

● PHASE 3

Process Optimisation

36% current priority

Industry benchmarks suggest
15-25% waste reduction potential*
6-12 month ROI

Expert Augmentation

30-50% throughput increase

20-30% efficiency gains
AI decision support

Ecosystem Integration

20-40% satisfaction improvement





90% vs 75% retention
Real-time orchestration



From Friction to Flow: Practical Transformation

Operational Transformation Through Systematic Efficiency Enhancement

Targeted architectural improvements translate directly into measurable operational enhancements across critical specialty claims workflows, addressing the specific inefficiencies identified through stakeholder research.

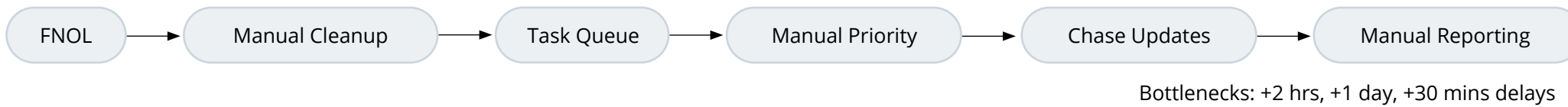
Administrative Overhead Reduction 	Decision Support Enhancement 	Stakeholder Coordination Optimisation 	Workflow Prioritisation Intelligence 
<ul style="list-style-type: none">▪ Current State: Manual data quality correction requiring expert time before productive claims work begins▪ Enhanced Approach: Intelligent validation at information intake, enabling immediate productive engagement with complex claims assessment▪ Operational Impact: Claims professionals engage with expert judgment requirements rather than administrative correction tasks	<ul style="list-style-type: none">▪ Current State: Complex liability and reserving decisions relying on limited analytical support, creating conservative over-reserving or delayed decision-making▪ Enhanced Approach: Contextual analysis drawing from similar case patterns, regulatory precedent, and industry benchmarks whilst preserving expert control over final determinations▪ Operational Impact: More accurate initial assessments with reduced reserve volatility and improved outcome	<ul style="list-style-type: none">▪ Current State: Information fragmentation requiring manual coordination across brokers, carriers, legal advisors, and expert networks▪ Enhanced Approach: Unified information architecture providing role-appropriate real-time visibility into claim progression and decision status▪ Operational Impact: Elimination of information-chasing cycles that create operational friction and stakeholder dissatisfaction predictability	<ul style="list-style-type: none">▪ Current State: Flat task structures requiring manual assessment to identify high-risk or time-sensitive matters▪ Enhanced Approach: Dynamic prioritisation based on financial exposure, regulatory compliance requirements, and stakeholder service level agreements▪ Operational Impact: Proactive management of critical matters with automatic escalation for Service Level Agreement risk mitigation

Industry Benchmark Analysis: Comparable process optimisation initiatives in complex service environments demonstrate efficiency improvement potential of 15-25% through administrative overhead reduction, with additional stakeholder satisfaction improvements of 20-40% through enhanced coordination and communication capabilities.

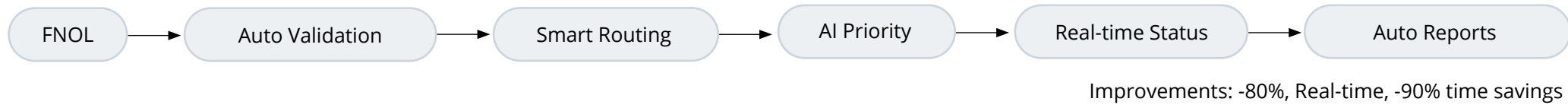


PROCESS TRANSFORMATION: MEASURABLE OPERATIONAL IMPROVEMENTS

Current State (Friction)



Future State (Flow)



**Disclaimer: Based on estimates from case studies and surveys. | Source: Implementation case studies and efficiency benchmarks, Specialty Claims Market Report 2025*



Key Questions for Claims Leaders – Where Do We Stand Together?

Our research shows that specialty claims organisations are at various stages of transformation, with each challenge requiring an individualised approach. As a technology firm with an insurance practice, we build solutions in collaboration with the market – listening to experts like you and developing tools based on real needs. The following questions can serve as a starting point for joint discussion, helping to identify how we can collectively strengthen the ecosystem.

The Reality: The highest satisfaction levels are achieved by organisations that clearly understand their position and strategically approach improvements, often in partnership with technology collaborators.

Market Context: With 57% of carriers planning increased MGA capacity allocation, the window for differentiation through operational excellence is closing rapidly.

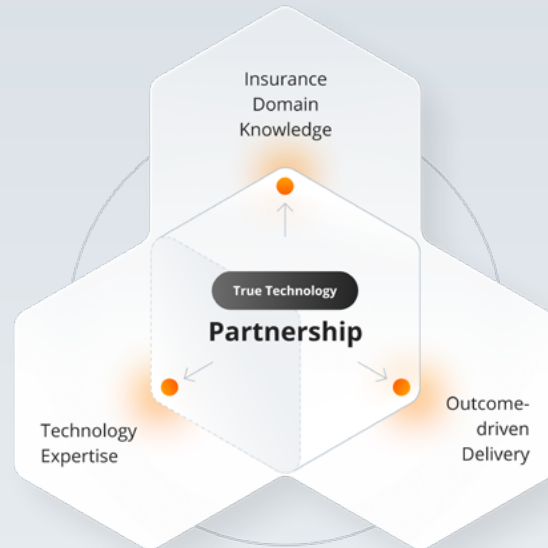
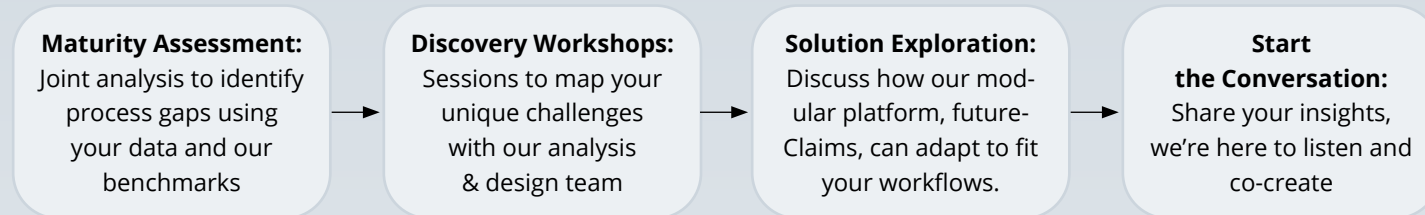
STRATEGIC QUESTIONS FOR 2025-2027



Joint Path Forward – Building Together

At Future Processing, we're investing in modular solutions designed specifically for commercial and specialty claims needs, which integrate seamlessly into your existing environment to enhance collaboration, decision support, and efficiency.

Stop adapting to technology – It's time technology adapted to you.



CONTACT US TO DISCUSS

Future Processing

ul. Bojkowska 37A
44-100 Gliwice
Poland

+48 32 461 23 00

futureClaims@future-processing.com

www.future-processing.com

