

# **How to Choose the Right Claims Management System in 2025**

JW Software Inc

## Table of Contents

Introduction	2
The changing arena of claims management	2
Technological advancements	2
Shifting customer expectations	3
Regulatory changes and compliance	3
Key considerations when choosing a claims management system	3
The importance of comprehensive support	5
Vendor evaluation	5
Cost and ROI	6
How to implement a claims management system	7
Laying a solid foundation	7
Strategic automation deployment	7
Comprehensive user training	7
Phased rollout for risk reduction	7
Compliance and security	7
Improve claims management efficiency with JW Software	8
The advantages of standalone claims management software	8
Comprehensive functionality	8
Dedicated workers' compensation policy management	9
Proven implementation success	9
Transform your insurance business with a JW Software	9

## Introduction

Digitalization may have increased efficiency in the insurance sector, but it's also resulted in much higher customer expectations, greater security concerns, and a flood of continually shifting regulations to go with it. As a result, modern insurance claims management systems (CMS) need to do much more in 2025 than simply remove paperwork from the claims equation. Along with enhancing operational efficiency, claims management software needs to securely improve the claimant experience, heighten business agility, and deliver better performance, all while remaining solidly compliant.

Given these demands, there are a number of key considerations that need to be taken into account when deciding upon a CMS platform. In this guide, we'll walk you through the main factors at play, offer a structured guide to the successful implementation of a CMS platform, and take a look at why JW Software may be the answer you're looking for.

## The changing arena of claims management

Claims management is undergoing a major transformation, driven by a combination of factors.

### Technological advancements

From intelligent automation to real-time decision-making, modern digital tools allow claims organizations to operate with new levels of agility and insight.

**Artificial Intelligence (AI) and Machine Learning (ML)** are now actively used to automate routine tasks, improve fraud detection capabilities by identifying anomalies, and heighten the accuracy of risk assessments through predictive modeling.

**Data analytics** has moved beyond simple reporting, offering profound insights into claim trends, revealing causes and correlations that may go unnoticed in traditional human analysis. The advanced capabilities of data analytics allow for proactive risk management, leading to better decision-making and reduced financial exposure.

**Cloud computing** is providing the scalability and accessibility needed to handle fluctuating claim volumes and support remote workforces. The inherent accessibility of cloud-based platforms allows adjusters, for example, to access key systems and data from any location with an internet connection. This flexibility helps to maintain business continuity and improve operational agility in an increasingly distributed modern work environment.

**Mobile accessibility** not only helps adjusters in the field by delivering real-time information, but also allows claimants to engage with the claims process on their own terms, submitting information and tracking progress smoothly.

## Shifting customer expectations

As mentioned, modern customers expect higher degrees of transparency, speed, and convenience across the board, with insurance claims being no exception.

Claimants want real-time updates, proactive communication, and self-service options. A modern CMS needs to cater to these demands, providing user-friendly portals, automated notifications, and efficient communication channels to improve claimant satisfaction and build trust during what is often a stressful time for them.

## Regulatory changes and compliance

With the regulatory frameworks governing insurance claims placing greater demands on companies to heighten data privacy, security, and reporting accuracy, a CMS needs to be equipped to quickly and easily adapt to these changes.

Claims management systems need to be able to maintain compliance with relevant regulations across a range of businesses and jurisdictions, delivering dependable audit trails, secure data storage, and the ability to generate compliant reports efficiently.

## Key considerations when choosing a claims management system

Selecting the right claims management solution is a decision that comes with major long-term implications. Beyond the basic financial cost of a platform, the time involved in training staff in its operation means you need a system that isn't going to become redundant in a few years due to changing regulations or operational procedures.

A thorough evaluation is therefore essential to make sure your chosen platform aligns with your organization's specific needs and strategic objectives. The key factors you need to assess include:

**Core claims processing:** The system should smoothly manage the entire claim lifecycle, from initial intake and assignment to evaluation, fair settlement, and efficient closure. Look for features that support standardized processes while allowing for any necessary flexibility.

**Workflow automation:** Customizable workflows are a key factor in streamlining processes, reducing manual intervention, minimizing errors, and improving overall efficiency. The system should allow you to define and automate tasks, notifications, and escalations based on specific claim types and business parameters.

**Document management:** A powerful document management system is essential for secure and organized storage, easy retrieval, and efficient management of claim-related documents, including correspondence, medical records, photos, and legal filings. Features like version control and audit trails are of major importance here.

**Reporting and analytics:** Comprehensive reporting capabilities are the basis of meaningful performance monitoring, identifying trends, analyzing loss data, and maintaining regulatory compliance. The system should offer customizable reports, dashboards, and the ability to export data for further analysis, allowing for data-driven decision-making.

**Communication and collaboration:** Effective communication between adjusters, claimants, legal counsel, medical providers, and other stakeholders is another key factor. The system should offer smooth communication through various channels, including email integration, secure messaging portals, with audit trails of all interactions.

**Integration capabilities:** The platform needs to readily integrate with your existing systems, such as policy administration, finance, and CRM platforms. This is vital for data consistency, reducing redundancy, and offering a holistic view of your operations.

**Security and compliance:** Needless to say, adherence to industry standards and data privacy regulations (GDPR, HIPAA, etc.) is key. The system should offer powerful security features, including data encryption, access controls, and audit logs, to protect sensitive information.

**Scalability and flexibility:** Businesses aren't static entities, and your chosen CMS should be scalable to accommodate future growth in claim volume and adaptable to changing business requirements and new lines of business.

**User Experience (UX) and User Interface (UI):** An intuitive and user-friendly design is important to encourage user adoption and heighten adjuster productivity. The system should be easy to navigate, with a clean and efficient interface that minimizes training time and delivers optimal user satisfaction.

## The importance of comprehensive support

Organizations may handle claims across a wide range of areas, from property and auto to health and travel. More than just a database, a CMS needs to be an agile and intelligent platform that can adapt to technological advancements and maintain regulatory compliance across all lines of business.

This means choosing a solution from a provider with an in-depth understanding of the industry and its various facets. In many ways, the choice of vendor is as important as the system itself.

## Vendor evaluation

When choosing a software supplier, it's important to assess the following factors:

**Industry experience and reputation:** You should be looking for a vendor deeply rooted in the insurance claims management sector, with a proven track record. This means you'll be dealing with a support system that understands your industry's specific challenges and that can serve as a reliable partner offering specific insights and advice on best practices. Investigate their client portfolio and the longevity of their customer relationships as indicators of their reputation and ability to deliver sustained value.

**Implementation process:** A smooth and well-managed implementation helps minimize operational disruption and achieve a faster return on your investment. It's important to get a clear understanding of a vendor's methodology, including project management protocols, data migration strategies, and communication plans. Implementation is a complex process with its own set of variables, which we'll examine in a little more depth in a later section.

**Training and support:** Evaluate the scope and delivery methods of a vendor's training, including initial onboarding and ongoing learning resources. Effective and readily accessible technical support is equally important to address any issues quickly and minimize downtime. Assess their support channels (e.g., phone, email, online portal), service level agreements (SLAs), and the availability of knowledgeable support staff.

**Innovation and future-proofing:** As mentioned, the claims management arena is in a near-constant state of change, and you need to select a vendor with a proactive approach to innovation. This way, your CMS platform is more likely to remain at the leading edge of the field. This future-proofs your investment and saves you from having to go through the entire evaluation process again should your platform start to lose ground in terms of its capabilities.

**Client references and testimonials:** Direct feedback from existing clients offers valuable insights into the vendor's performance, reliability, and customer service. Seek out references from organizations that mirror your company's size, scope of service, and complexity. Inquire about their overall satisfaction, the effectiveness of the system, the vendor's responsiveness, and any challenges encountered during implementation or ongoing support.

## Cost and ROI

Beyond a system's functionality, the value of a CMS lies in its impact on your bottom line. Consequently, you should take the time needed to properly evaluate the Total Cost of Ownership (TCO) and potential Return on Investment (ROI) when considering a claims management system.

**Efficiency gains and reduced administrative costs:** A modern CMS should automate manual tasks, streamline workflows, and reduce administrative overhead, leading to significant cost savings through reduced labor hours, particularly in areas like data entry and document management.

**Improved adjuster productivity:** By providing adjusters with the right tools and data at their fingertips, the system should improve their productivity, allowing them to handle claims more efficiently and effectively, potentially lowering overtime costs and delaying the need for additional hiring.

**Better fraud detection and reduced leakage:** Advanced analytics and AI-powered fraud detection capabilities can help identify suspicious claims early, reducing fraudulent payouts and overall claim leakage.

**Heightened claimant satisfaction and retention:** A system that facilitates clear communication, provides prompt updates, and offers self-service options can significantly heighten claimant satisfaction and improve your organization's reputation. This can contribute to improved retention rates and potentially attract new business.

**Improved data-driven decision-making:** Powerful reporting and analytics capabilities allow for informed decision-making. This leads to better risk management, improved operational efficiency, optimized resource allocation, and better negotiation strategies—all of which adds up to increased profitability.

## How to implement a claims management system

Once you've selected a CMS platform from a vendor you feel you can trust and work with, implementing the system becomes your next focus.

### Laying a solid foundation

The initial CMS implementation phase requires a thorough assessment of your current claims workflow to pinpoint inefficiencies and bottlenecks. Clearly define objectives and establish measurable metrics, such as target error reduction and automation rates. In any given insurance organization, several manual processes are ripe for automation, including initial data intake, document management, and basic claimant communication.

### Strategic automation deployment

From routine claims to standardized medical reimbursements, there are a number of relatively simple circumstances that may not require human involvement. To maximize the benefits of your CMS, begin by targeting automation in these simpler claims areas, freeing up your adjusters for more intricate cases. Most importantly, automation shouldn't compromise accuracy, and these simpler claims provide an effective way to perform initial testing and validation of your automated insurance claims processes.

### Comprehensive user training

There's little point in adopting a CMS unless it's widely and correctly used by your staff. Companies should offer comprehensive training for all users, especially claims adjusters. Programs should cover new workflows, lifecycle management, analytics, and review processes.

### Phased rollout for risk reduction

No matter how confident you are in your CMS, it's prudent to initiate with a pilot program for a limited user group and low-complexity claims. Incrementally expand deployment based on pilot success, culminating in a full-scale rollout. Post-implementation reviews and continuous optimization are vital here for long-term success and ensure the system adapts to your changing needs.

### Compliance and security

We've mentioned this before, but it bears repeating: make sure your CMS aligns with regulations like GDPR and insurance auditing standards. Implement effective cybersecurity measures, including encryption and role-based access control, along with regular penetration testing. A focus on compliance and security builds trust and ensures the CMS



operates ethically, securely, and with a positive impact on all stakeholders involved in the claims process.

## Improve claims management efficiency with JW Software

There's a lot to consider when selecting a claims management system, from the basic functionality it will bring to your claims workflow to its ability to meet future demands. At [JW Software](#), we've made it our business for over 30 years now to create CMSs that comprehensively address the operational needs and business goals of everyone from insurance carriers to brokers. There's a reason why we're the largest standalone, privately held claims software provider.

[FileHandler Enterprise™](#) is our flagship claims management software for efficient administration and risk management, while [PolicyHandler Enterprise™](#) is a comprehensive policy administration platform focused on streamlining the policy lifecycle.

## The advantages of standalone insurance claims management software

For advanced capabilities that deliver exceptional outcomes, you need specific expertise—there's a reason doctors recommend specialists. You can certainly get by with a claims management system that's embedded within a larger platform, however, it really depends on the efficiency you want to achieve and the level of service you're looking to offer.

Standalone claims management software like [FileHandler Enterprise™](#) provides deeper and more specialized functionality tailored specifically to the complexities of any given claims process. This includes more powerful workflow automation, advanced reporting, and sophisticated document management capabilities.

[FileHandler Enterprise™](#) offers greater flexibility and customization to adapt to the specific and evolving needs of claims departments in a wide range of areas—from Workers Comp and Property to Auto and General Liability.

This claims-focused approach delivers increased efficiency and accuracy in claims handling, ultimately improving adjuster productivity and claimant satisfaction, without being constrained by the limitations and architecture of a policy administration system.

## Comprehensive functionality

[FileHandler Enterprise™](#) is recognized as the "gold standard" for claims administration and Risk Management Information Systems (RMIS), providing a vast suite of customizable features that address every stage of the claim lifecycle.

It's a platform that understands that TPAs, Insurance Carriers, Self-Insured Entities, PEOs, Brokers, and MGAs all have specific operational requirements, with [FileHandler Enterprise™](#) designed with flexibility and customization in mind. Providing tailored workflows, specific line of business support, and configurable features, it aligns perfectly with your organizational structure and objectives.

## Dedicated workers' compensation policy management

For organizations navigating the complexities of Workers' Compensation, PolicyHandler Enterprise™ delivers a distinct and powerful advantage. Unlike generic policy administration systems, it is purpose-built to address the unique demands of this critical area. The system comprehensively streamlines every facet of Workers' Compensation policy administration, from initial quoting and underwriting to renewals and audits, ensuring meticulous compliance with evolving regulations. Its seamless integration with [FileHandler Enterprise™](#) provides an unparalleled holistic view of your Workers' Compensation operations, connecting policy details directly with related claims data. This unified approach fosters enhanced efficiency, facilitates proactive risk management, and empowers better-informed decision-making across your entire Workers' Compensation portfolio.

## Proven implementation success

The prospect of transitioning to a new claims management system often raises concerns about potential disruptions. However, JW Software offers reassurance with a virtual 100% success rate in implementing clients from other platforms—a testament to our experienced professionals, careful planning, and commitment to efficient transitions that involve minimal disruption to your operations.

Our dedicated team prioritizes customer service, delivering comprehensive software training that ensures smooth project implementation from start to finish, and providing consistent, reliable maintenance and support. This collaborative approach reflects our belief that our success is intrinsically linked to the success of our partners.

## Transform your insurance business with a JW Software

Discover how JW Software's proven CMS solutions can address your unique claims management challenges and position your organization for success in 2025 and beyond.

[Contact Us for a Demo Today](#)