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QKS AI Maturity Matrix™

L&A Core Insurance

Most Valuable Pioneer

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Executive Summary

The Life & Annuities (L&A) insurance industry is undergoing a paradigm shift. Faced with longevity risk, evolving customer expectations, regulatory pressures, and stagnant product innovation, insurers are under pressure to modernize their core platforms. At the center of this transformation lies Artificial Intelligence (AI) not just as an automation tool, but as a strategic enabler for adaptive underwriting, dynamic policy servicing, and predictive risk management.

This whitepaper by QKS Group explores the growing need for AI-infused core platforms that move beyond rule-based workflows to deliver intelligent, context-aware, and real-time decisioning across the policy lifecycle.

What the Intelligent L&A Core Platform Must Enable

To meet modern expectations and operate with agility, today's L&A platforms must offer:

- Predictive underwriting engines that assess contextual, lifestyle, and behavioral data to improve accuracy and reduce time-to-decision
- AI-driven claims triage and fraud detection that reduce manual touchpoints and leakage while accelerating settlements
- Personalized product bundling and advisory tools that align coverage with individual financial goals
- Embedded GenAI assistants that enhance policyholder interactions and improve operational throughput
- Model governance and explainability frameworks that ensure regulatory compliance and ethical AI use

Key Findings from the QKS AI Maturity Matrix

The QKS AI Maturity Matrix evaluates vendors across AI Vision, Execution Maturity, Embedded GenAI, Lifecycle Coverage, and Governance Readiness.

Majesco is named the Most Valuable Pioneer (MVP) for 2025, recognized for its AI-first architecture, composable orchestration, and embedded intelligence across underwriting, claims, and servicing.

Vendors like Verisk (FAST) and Vitech show strong momentum but lack unified orchestration, relying on modular or third-party AI integrations. Players such as EXL and EIS are still evolving their core intelligence layers, offering selective use cases but falling short on platform-native maturity.

Strategic Recommendations for Insurers

To thrive in the digital L&A era, insurers must reimagine their technology foundations:

- Invest in platforms with deeply embedded, production-ready AI capabilities
- Choose vendors that support continuous learning, model feedback loops, and regulatory transparency
- Prioritize systems that deliver real-time decisioning, scalable orchestration, and personalized engagement
- Shift from reactive policy servicing to proactive, insight-led insurance journeys

Introduction: The Role of AI in Modernizing L&A Core Insurance Platforms and Improving Risk Intelligence

The L&A (Life and Annuities) insurance sector is at a decisive inflection point. The industry is long characterized by conservative change cycles, aging legacy infrastructure, and product-centric models. It is now under growing pressure to reimagine its core operations around customer-centricity, agility, and risk foresight. As rising interest rates, longevity risk, regulatory volatility, and evolving demographics became the challenge, the insurers must transform the foundational platforms that power their policy lifecycle. This is where Artificial Intelligence (AI) is proving to be not just an enabler, but a transformative force.

AI is reshaping L&A core insurance by driving precision, speed, and contextual intelligence into an automative and customer-centric processes. Traditionally, core insurance systems focused on static workflows like underwriting rules, actuarial tables, and policy servicing logic that evolved over decades. These systems, while reliable, are no longer sufficient to meet the expectations of digital-native policyholders or to manage emerging forms of risk. AI brings adaptability into the core: the ability to learn from every interaction, optimize in real-time, and augment human decision-making across underwriting, claims, and customer engagement.

According to QKS Groups' Policy Administration Systems (PAS) VoC (Voice of Customer) report, insurers that have integrated AI across core operations reported up to a 35–40% improvement in operational efficiency driven by faster underwriting, reduced claims leakage, and automation-led servicing. Despite this, only one in five insurers globally have deployed AI at scale across core operations, with most still experimenting in isolated functions such as chatbots or data dashboards. This gap between potential and execution highlights the urgent need for more AI-mature platforms that are built to support real-time, learning-driven decisioning.

Modern L&A platforms are increasingly embedding AI across three critical dimensions:

- Risk Intelligence and Underwriting Automation: AI models can now analyze vast datasets from credit scores and medical history to behavioral and third-party signals and to underwrite policies with greater accuracy and speed. Predictive underwriting engines reduce time-to-quote, flag anomalies, and segment risk in ways traditional methods cannot. AI also enables dynamic re-pricing and continuous underwriting, adjusting premiums in response to behavioral changes or new risk data.
- Hyper-Personalized Product Configuration: Unlike rigid product catalogs, AI allows insurers to offer policy bundles tailored to individual life stages, income profiles, and financial goals. Through AI-driven needs analysis, L&A insurers can match customers with the right annuity or life insurance products, even forecasting future needs with scenario modeling.
- End-to-End Automation of Policy Administration and Claims: AI-powered document processing, intelligent workflows, and virtual assistants are enabling self-service onboarding, real-time servicing, and zero-touch claims processing. Generative AI and large language models (LLMs) are now being used to summarize policies, interpret benefits, answer queries, and triage complex claims all while maintaining regulatory compliance and auditability.

The convergence of machine learning, natural language processing, computer vision, and generative AI is allowing insurers to operationalize intelligence across the core. From straight-through processing of policies to adaptive communication with policyholders, the AI-infused core is becoming a critical competitive lever.

More importantly, AI is enabling a proactive insurance model shifting from reactive claim settlement to real-time risk mitigation and personalized advisory. L&A insurers can now predict policy lapses, detect early indicators of fraud, and trigger intervention workflows before problems escalate. AI thus becomes not just a cost-efficiency driver, but a growth enabler, allowing insurers to increase coverage affordability, improve margins, and expand into underserved customer segments.

AI is also playing a critical role in customer servicing. Through behavioral analytics and natural language processing, insurers can anticipate servicing needs, automate common interactions, and deliver personalized experiences across channels. According to PAS VoC report, 74% of policyholders are now expecting real-time digital engagement from their insurers and AI is becoming a key differentiator in driving loyalty and retention.

Yet, achieving this AI-led transformation depends heavily on the maturity of the underlying platforms. Not all vendors are equally equipped to deliver on this vision. As insurers assess platform choices, the question is no longer who has AI features, but rather who offers deeply embedded, production-ready AI that delivers measurable business impact.

The QKS AI Maturity Matrix for L&A Core Insurance was developed to answer this question by evaluating leading vendors on their AI vision, maturity, and ability to execute. The next sections outline the industry's key pain points, the transformative potential of AI, and a comparative view of how vendors are enabling insurers to meet the moment.

Challenges and Pain Points in L&A Insurance

The L&A insurance industry is operating under pressure from multiple fronts with shifting customer expectations, rising operational costs, fraud threats, and stagnant product innovation. The traditional systems and actuarial models that once sustained the industry are now liabilities in a data-driven, digital-first world. While insurers recognize the value of digital transformation, the inability to embed AI within the platform core has left many stuck in operational limbo struggling to scale, innovate, or differentiate. These challenges expose structural vulnerabilities that must be addressed through AI-driven core modernization.

1. Underwriting Inefficiencies: Traditional Risk Models Are Losing Relevance

Underwriting remains the cornerstone of L&A operations and yet it is one of the least evolved functions in terms of digital intelligence. Traditional actuarial models are designed for static risk pools and average-case assumptions. In today's environment, those models are showing their age:

- They don't account for behavioral and contextual risk signals such as digital activity, wearable data, or personalized health metrics.
- Risk assessment is reactive, based on historical data, with minimal predictive foresight.
- Policy issuance often involves manual document collection, intrusive health checks, and time-consuming reviews.

According to PAS VoC report, nearly 35% of life insurance applicants abandon their journey due to the complexity and duration of underwriting. This friction disproportionately affects younger and digital-native applicants who expect speed, personalization, and low-friction approvals.

Moreover, as the demand grows for modular life products, hybrid annuities, and usage-based insurance (UBI), traditional models fail to capture risk

variability across granular segments. The result is mispriced policies, underwriting leakage, and loss of high-value customers to more agile Insurtech's.

2. Claims Delays and Rising Fraud Threats: A Costly Blind Spot

Claims processing is the moment of truth in insurance. Yet most insurers still rely on manual claims triage, paper-based documentation, and static rules engines. This leads to:

- Prolonged settlement times (often exceeding 30 days for complex cases)
- Increased dispute rates due to inconsistent adjudication
- Limited fraud detection, particularly for identity-based or repeat submission schemes

According to the key findings of QKS Group's SPARK Matrix™: Life Insurance Policy Administration Systems, 2024, the U.S. insurance industry experiences significant losses due to fraud, with life insurance being a major contributor. This is primarily through falsified death claims, fake beneficiaries, or staged documents.

AI has the ability to radically improve claims operations through:

- Predictive fraud scoring
- Anomaly detection using pattern recognition and network graphs
- Natural language processing (NLP) for document and sentiment analysis

Despite these capabilities, their potential is not fully realized due to outdated infrastructure, the absence of integrated data models, and concerns about regulatory repercussions associated with employing opaque AI systems for claim denials.

3. **Operational Inefficiencies:** Fragmented Systems and High Service Overhead

Despite investing in digital front ends, many L&A insurers still rely on fragmented core systems for policy administration, billing, servicing, and reporting. These systems were not designed to operate in real-time or support AI-based orchestration. Operational challenges include:

- Multiple system handoffs resulting in servicing delays and errors
- Lack of automated workflows for policy changes, endorsements, or beneficiary updates
- No unified customer view, leading to poor service personalization and support inefficiencies

For instance, if a policyholder updates their address through a chatbot and this change is not immediately reflected in the claims or billing modules, the customer experience can significantly deteriorate. These discrepancies can also increase administrative costs, diminish Net Promoter Scores (NPS), and lead to higher lapse and churn rates.

Moreover, manual servicing workflows limit scalability, forcing insurers to hire more staff as volume grows, rather than scaling intelligently with digital agents or AI-powered bots.

4. **Low Product Personalization and Shallow Engagement**

L&A products have traditionally followed a product-push model: insurers design standardized policies and distribute them through agents or online platforms. But today's customers, especially Millennials and Gen Z want financial wellness journeys, not static coverage. Key engagement gaps include:

- Inability to recommend products dynamically based on life stage or goals

- Lack of personalized advice tools, simulators, or calculators powered by AI

According to the PAS VoC report, 68% of end-users identified personalized engagement as a top key driver for long-term satisfaction in insurance. It emphasizes that vendors must prioritize customer experience, as it plays a vital role in boosting policyholder retention and unlocking cross-sell and upsell opportunities.

However, most insurers still lack the AI infrastructure needed to analyze real-time customer behavior, dynamically tailor offerings, or engage proactively across channels resulting in missed moments of relevance and competitive differentiation. This static engagement strategy limits revenue growth and customer loyalty in a market where fintech's and digital challengers are rapidly closing the trust gap.

5. Regulatory Pressure and the AI Explainability Gap

Even insurers willing to adopt AI face increasing compliance friction. Regulatory bodies such as the NAIC, EIOPA, and APRA are introducing frameworks for AI ethics, bias management, and algorithmic accountability. Core areas of concern include:

- Unexplainable model outcomes, especially in underwriting or claim rejection
- Discrimination risk in pricing based on race, gender, or inferred attributes
- Lack of model documentation and version control during audits

Without explainable AI (XAI) built into core systems, many insurers hesitate to scale AI across high-impact decision areas. In addition, traditional core vendors often lack integrated tools for:

- AI model monitoring and drift detection

- Role-based transparency into decision logic
- Data lineage tracking for regulatory review

This governance gap is now a strategic blocker to innovation. Insurers that can’t prove fairness or explain AI outcomes will soon face fines, reputational risk, or product withdrawal in regulated markets.

AI-Driven Automation in L&A Insurance

Artificial Intelligence has moved beyond the edges of innovation and is now central to the transformation of L&A insurance. As policyholder expectations shift toward seamless, intelligent, and hyper-personalized services, AI is enabling insurers to evolve from static operations to adaptive, insight-driven systems.

When incorporated into the core architecture rather than added as a superficial layer, AI brings real-time learning, predictive abilities, and operational fluidity throughout the policy lifecycle. This section explores AI's impact across three critical areas: its integration into underwriting, claims, and servicing (3.1); the enabling technologies behind that transformation (3.2); and real-world use cases that reflect its practical value (3.3).

AI in L&A Core Insurance: Transforming Underwriting, Claims, and Policy Servicing

Traditional systems, built on static rules and manual workflows, are ill-equipped to meet these evolving expectations. L&A insurers face rising complexity with longer customer lifecycles, increasing product variation, and operational demands for speed and precision. AI addresses this challenge by introducing intelligence at the point of decision infusing every part of the value chain with predictive capability, self-adjustment, and context awareness.

- In underwriting, AI shifts insurers from one-time, static assessments to continuous, dynamic risk modeling. Instead of relying solely on age, income, and health questionnaires, AI models can draw insights from a broader array of data like financial behaviors, lifestyle changes, online interactions, and third-party risk indicators. These models are not only faster but they're more nuanced. They can score risk in real-time, identify inconsistencies in submitted information, and recommend instant decisioning for low-risk applications. This elevates underwriter

productivity while enabling more personalized product offers and dynamic pricing strategies.

- In claims, AI introduces automation and cognitive intelligence that replace bottlenecks with speed and precision. Document processing powered by OCR and NLP can parse handwritten forms or unstructured documents, verify supporting evidence, and match it against policy terms in seconds. Claims engines enhanced with machine learning can auto-approve simple claims, prioritize complex ones, and trigger fraud alerts where patterns deviate from expected norms. This reduces settlement delays and creates a consistent, audit-friendly framework for managing claims at scale.
- In policy servicing, AI enables a shift from reactive service to anticipatory support. Instead of responding to queries, AI systems predict when a customer may need help, flag lifecycle events, and automate policy changes. For instance, if a customer reduces their premium payments or changes digital behavior, AI can trigger proactive nudges offering revised coverage options or scheduling support interactions. By learning from behavior across multiple channels, AI ensures servicing becomes continuous, personalized, and context aware.

Ultimately, AI transforms core functions from being process-driven to intelligence-driven, enabling insurers to offer faster decisions, fewer errors, and better customer outcomes while maintaining operational control.

The Role of Machine Learning, Behavioral Analytics, and NLP in Enhancing Policy Administrative Systems

AI's influence in L&A insurance extends beyond automation. It leverages machine learning, behavioral analytics, and natural language processing to learn, interpret, and personalize. These technologies are crucial for updating the policy administration layer.

- Machine Learning (ML) allows systems to move beyond hard-coded logic. In a traditional PAS, every process such as endorsement workflows, lapse notifications, payment reconciliations are driven by predefined rules. ML introduces flexibility. It enables systems to adapt based on historical outcomes, process patterns, and operational feedback. ML models recommend the optimal time to contact a customer, suggest workflow shortcuts for repetitive tasks, or flag servicing requests likely to escalate. This not only improves accuracy but also drives down turnaround time without compromising control.
- Behavioral Analytics brings visibility into policyholder intent and sentiment. Every interaction whether it's a chatbot session, a policy login, or a missed premium, conveys behavioral signals that indicate the level of customer engagement and their potential needs. By interpreting these signals, AI can create a dynamic profile of each policyholder and adjust engagement strategies accordingly. For instance, if a customer repeatedly ignores annual benefit statements but frequently visits coverage calculators, the system might proactively offer simplified policy summaries or trigger an advisory interaction. This turns servicing into a value-driven conversation, not just a transactional interaction.
- Natural Language Processing (NLP) gives insurers the power to interpret, classify, and act on human communication at scale. NLP engines can read and understand emails, phone transcripts, claim narratives, or live chat logs and extract not just content but context. In policy administration, this means faster resolution of servicing tickets, automated extraction of data from unstructured forms, and smarter routing of requests to the right agent or bot. More importantly, NLP enables self-service tools that converse enable customers to update policies, understand coverage, or file claims without needing to escalate to human agents.

When these technologies work are integrated, the policy admin system becomes more than a workflow engine. It transforms into a cognitive operations hub that continually adapts to users, anticipates their needs, and learns from every outcome.

AI in Action: Illustrative Use Cases in L&A Insurance

Across the L&A landscape, insurers are now embedding AI into production environments. Below are examples that reflect how AI is already solving real-world challenges across fraud, servicing, engagement, and underwriting.

Case Study 1: Improving LA&H Claim Efficiency with Automated Document Insights

Problem Statement: Manual review of physician reports and supporting documentation delays claim adjudication and payment. These reports are often lengthy, complex, and inconsistently formatted, making them time-consuming to process. The resulting delays increase administrative tasks, negatively impacting customer satisfaction.

Solution Offered: Majesco Copilot supports the claim team by automating the initial review of physician reports. It extracts key medical and policy-related information, accelerating and improving adjudication decisions.

- Automated Medical Data Extraction with Recommended Decisions: Leveraging Majesco DocScribe, Copilot identifies diagnosis and treatment details, maps them to ICD-10 and CPT codes, and adds relevant covered benefits from the claimant's policy to the adjudication record.
- Decision Support: Adjudicators can prompt Copilot to summarize added benefits, provide rationale, and cite supporting documentation, helping address inquiries or disputes.

Benefits:

- Expedite claim adjudication with a 66% increase in efficiency through automated interpretation of supporting documents, such as Physician's Reports or Death Certificates.
- A claim adjudicator often exhausts multiple hours to review a physician's report and match treatments and diagnoses to their corresponding ICD and CPT codes. With the help of Majesco Copilot, that time can be reduced to minutes.
- Ability to ingest various types of claim information forms with consistency and accuracy.
- Greater ease of documentation for adjudication rationale and summarization of treatment and diagnoses to support appeals and compliance checks.

Case Study 2: Streamlining Group Underwriting with Interactive Quote Generation

Problem Statement: Group underwriters often face delays and inefficiencies when responding to Requests for Proposals (RFPs), especially when dealing with multiple quotes, plan configurations, and revisions. The manual process of retrieving RFP information, navigating through quote details, updating plan provisions, and generating revised quotes is time-consuming and error prone. These inefficiencies limit responsiveness, reduce throughput, and increase turnaround time for brokers and clients.

Solution Offered: Majesco Copilot enhances the underwriting process by enabling an interactive, step-by-step experience for group underwriters to retrieve, review, and modify quotes with ease. Through natural language interaction, underwriters can initiate and complete tasks such as selecting quotes, viewing plan details, adjusting provisions, and generating updated quotes — all within a guided, conversational interface.

- Smart Retrieval: Copilot retrieves RFP quotes based on user input (e.g., RFP number or group name) and presents available quotes in a clear, structured format.
- Interactive Plan Review: Underwriters can ask for specific plan details (e.g., coverage amount, funding arrangement, broker commission), avoiding the need to search across multiple systems or screens.
- Plan Modification Workflow: Copilot supports mid-process edits such as changing coverage amounts or adjusting broker percentages. It confirms changes, copies the base plan, and submits modifications for validation automatically.
- Quote Generation: Upon plan updates, Copilot initiates the quote generation process, confirms details, and produces a finalized quote - reducing the time spent per request.

Benefits:

- Reduces time to requote from 20-30 minutes to less than 3.
- Enhanced Underwriter Productivity: Enables underwriters to focus on value-added analysis rather than manual plan and quote handling.
- Seamless Collaboration: Makes it easier for underwriters to respond to broker requests promptly and professionally, boosting partner satisfaction.
- Consistent Documentation: Automatically captures all plan and quote changes, supporting auditability, compliance, and internal communication.

Case Study 3: Accelerating Product Launches and Enhancements with Copilot

Problem Statement: Product Business Analysts and Configurators often face long lead times when launching or enhancing group insurance plans. During plan design of Group Insurance products, the minimum / maximum plan validations play an integral part in ensuring compliance. Traditional configuration methods involve manual rule creation, data formatting, and error-prone setup steps that slow releases. These bottlenecks reduce the agility of product teams in responding to market needs.

Solution Offered: Majesco Copilot streamlines product configuration by enabling teams to define and upload business rules—such as plan validations—through natural language or file input. This significantly accelerates the rule setup process and reduces dependency on technical resources.

- File-Driven Configuration: Product teams can upload Excel or CSV files containing validation rules. Copilot parses and explains the structure of the file, confirms the presence of exceptions, and guides users through the merge process.
- Natural Language Input: Users can also define new validations via conversation—for example, setting benefit value ranges or increment requirements—without writing complex rule syntax.
- Validation and Merging: Copilot compares new rule sets with existing ones, enables file merging, and ensures that original rule sets remain intact for traceability.

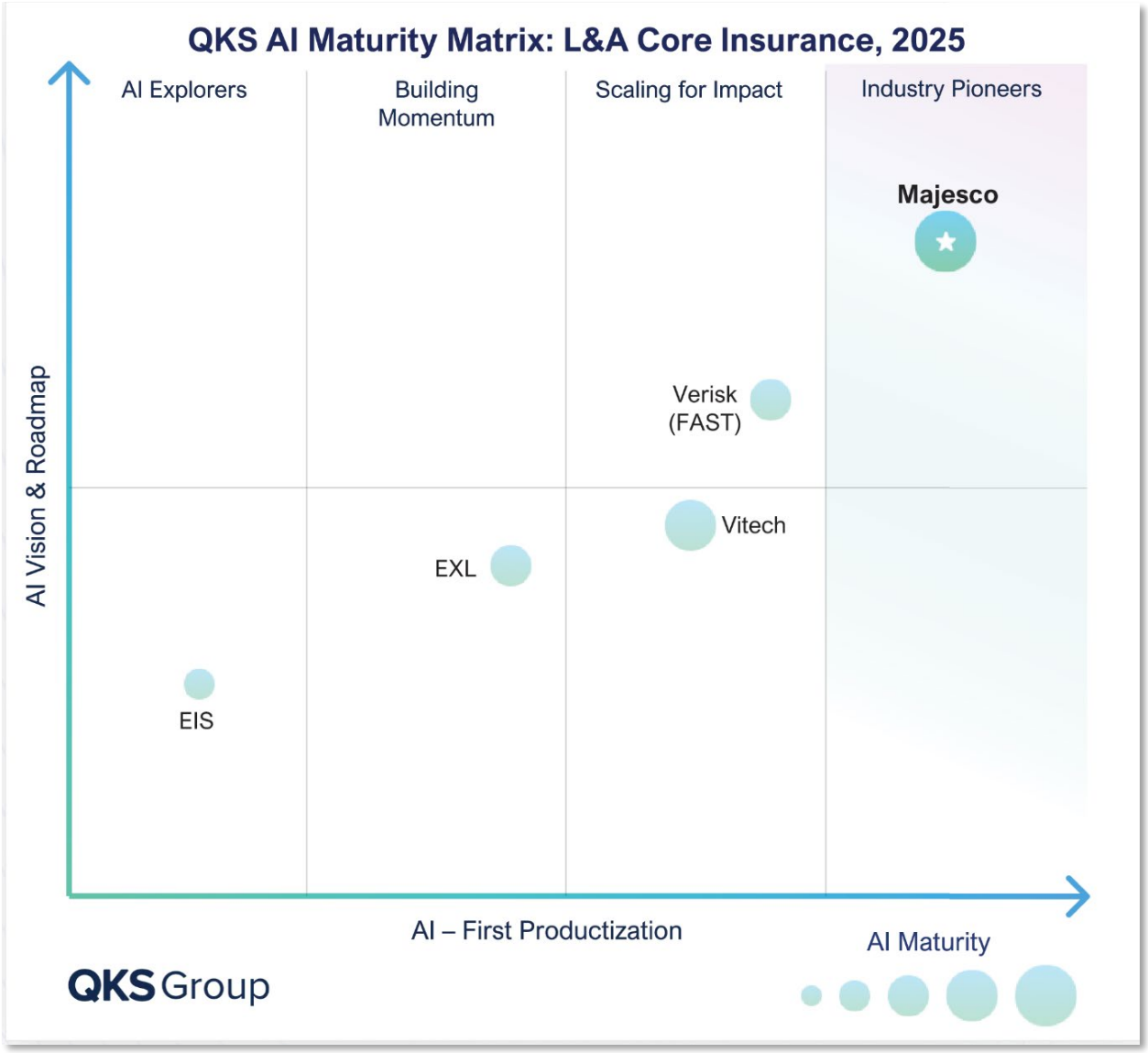
Benefits:

- Uploading and configuring plan validations via Copilot drastically cuts time compared to traditional manual rule entry, from hours to minutes.

- Faster Time-to-Market: Enables insurers to respond more quickly to market changes, regulatory updates, and client-specific plan demands.

AI has moved from concept to execution in L&A insurance. When thoughtfully embedded, it unlocks operational scalability, adaptive risk assessment, personalized policyholder engagement, and intelligent fraud detection across the entire insurance lifecycle. The true competitive edge lies not in having AI tools but in operationalizing them at the platform level and turning intelligence into a core capability.

QKS AI Maturity Matrix™: L&A Core Insurance



As AI reshapes the L&A insurance industry, technology vendors play a critical role in enabling or impeding insurers' transformation. The QKS AI Maturity Matrix evaluates vendors along two axes:

- AI Vision & Strategy: How forward-thinking, intentional, and embedded is the vendor's AI roadmap across core insurance functions?

- AI Productization: How deeply is AI integrated into actual platform capabilities, and how scalable and accessible are those capabilities to insurers?

Vendors are placed into four categories:

- AI Explorers: Early in their AI journey, with limited production capabilities
- Building Momentum: Demonstrating growing investment but lacking end-to-end maturity
- Scaling for Impact: Possessing strong AI foundations with selective deployment across product lines
- Industry Pioneers: Vendors with embedded, scalable AI capabilities powering enterprise transformation

Majesco - Industry Pioneer

Majesco leads the market as one of the few vendors delivering truly embedded AI across the full L&AH insurance lifecycle. The company's strategic focus on AI-first transformation is not an augmentation of existing systems; it is foundational to its product design, architecture, and customer value proposition.

Majesco is not simply adopting AI; it's reimagining the insurance core itself. Its vision extends well beyond automation, aiming to build a self-learning and adaptive backbone that evolves with insurer and policyholder needs. Its roadmap focuses on not just implementing AI modules but embedding intelligence into every layer of the platform, including data orchestration, workflow execution, decision support, customer engagement, and compliance governance.

In addition, Majesco's platform supports model version control, feedback loop integration, and retraining pipelines, all critical for insurers looking to scale AI responsibly to protect sensitive and proprietary information.

The company takes a distinctly AI-native approach, focusing on platform-wide integration rather than releasing isolated AI features. Majesco sees GenAI not as an enhancement, but as a transformative capability. Its vision includes policy intelligence assistants, AI co-pilots for high-volume operations, and Large Language Model (LLM) integration for real-time servicing.

Majesco's Digital1st® Insurance platform stands out for its end-to-end, AI-augmented capabilities. The platform integrates AI across underwriting, policy servicing, billing, and claims supported by a unified data fabric that fuels real-time decisioning for brokers, employers, and employees.

Key capabilities within Majesco's L&AH Intelligent Core include:

- Predictive Underwriting – AI models consider lifestyle, family medical history, and physical health indicators to assess applications, recommend coverage amounts, and auto-approve low-risk cases

- RFP Intake and Analysis: AI tools streamline tedious document analysis and data entry by reviewing censuses, group contracts, and RFPs to extract key company details, demographics, and plan information to accelerate quote generation while eliminating human error, allowing underwriters to focus on high-value tasks.
- Automated Claims Triage – NLP and ML tools classify claims, route high-risk cases, and trigger fraud alerts through behavior-based models.
- Conversational Policy Servicing – AI assistants help customers manage coverage, payments, and updates with contextual understanding.
- Proactive Customer Engagement – AI-driven nudges and simulations help retain and inform policyholders.
- Explainable AI – All AI decisions are auditable, traceable, and compliant with insurer-specific governance frameworks.

Majesco is also actively investing in GenAI for customer communications, summarization, intelligent form completion, and agent assistance. Rather than offering GenAI as a standalone add-on, it is integrated into the fabric of day-to-day workflows, accelerating adoption and minimizing disruption.

Competitive Edge:

Majesco's competitive advantage lies in its fusion of AI vision with executional depth. It is not only delivering intelligent automation but also enabling insurers to govern and evolve their AI capabilities without building everything from scratch.

Unlike vendors that limit AI to isolated areas (e.g., chatbots or dashboards), Majesco delivers a composable, intelligent insurance core that learns continuously, personalizes at scale, and accelerates business outcomes.

With production-grade deployments across multiple insurance lines and global clients, Majesco has proven that its AI is more than conceptual. It is operational, scalable, and tightly aligned with insurer needs.

Comparative Analysis of Vendors in the QKS AI Maturity Matrix

While Majesco leads the market with an AI-first architecture and a unified intelligent core, other vendors vary significantly in both strategic intent and productization maturity. Most competitors demonstrate pockets of innovation particularly in analytics, claims automation, or digital servicing, but few offer a fully integrated AI layer across the policy lifecycle.

Scaling for Impact: Verisk (FAST) and Vitech

Vendors such as Verisk (FAST) and Vitech are positioned in the Scaling for Impact zone of the matrix. They show solid progress in embedding AI into key areas of the L&A stack, particularly in data-driven underwriting and product configuration. Verisk's modular architecture and integration with external data enrichment layers allow insurers to leverage predictive models for faster decisioning. Vitech, on the other hand, demonstrates strong capabilities in rules-based automation and analytics-driven servicing but relies heavily on customization and partner-led AI deployments.

However, both vendors still lack platform-native AI orchestration and most of their intelligence modules operate as extensions or depend on third-party AI platforms. Their servicing and claims capabilities are more workflow-automated than intelligence-driven, with limited adaptability to behavioral or real-time signals. While they are ahead of most in offering flexible data pipelines and configurable product logic, their AI execution still requires significant effort on the insurer's part to operationalize across departments.

While they demonstrate significant advancements towards achieving intelligence, it is important to note that AI systems are still in the developmental stages and have not yet been fully integrated into all aspects of technology.

Building Momentum and AI Explorers: EXL and EIS

EXL and EIS occupy the Building Momentum and AI Explorers quadrant respectively, primarily due to their segmented AI investments and services-first go-to-market models.

EXL, with its strong analytics and decision science heritage, offers a broad range of AI use cases especially in predictive modeling, lapse forecasting, and customer segmentation. However, these are typically delivered through consulting engagements or standalone accelerators, not as pre-integrated components of a core platform. While this allows for deep customization, it places the onus on the insurer to maintain and govern the AI stack limiting scalability and consistency.

EIS, meanwhile, has started embedding AI elements into its cloud-native architecture, particularly for engagement orchestration and claims analytics. Its digital experience layer supports API-driven integration of AI tools, and the platform is progressively building support for machine learning in servicing flows. That said, much of its AI roadmap remains early-stage, with model retraining, governance, and orchestration features still developing. EIS's strength lies in technical openness but lacks the mature, ready-to-deploy AI modules that enterprise insurers expect out of the box.

Overall, both EXL and EIS are evolving, but are not yet positioned to offer an intelligent core platform that can operate autonomously or self-optimize without significant customization.

Summary

The QKS AI Maturity Matrix reveals a clear industry divide: between those building intelligent insurance cores, and those still layering AI onto legacy workflows. Majesco sets the benchmark through its AI-native platform, embedded orchestration, and production-grade intelligence across the policy lifecycle. Meanwhile, vendors like Verisk and Vitech are steadily evolving, building scalable data models and flexible APIs to support AI integration, they still rely on insurer-led execution. Others, like EXL

and EIS, are investing in modular AI capabilities but need deeper convergence with the core platform to deliver sustainable value.

As L&A insurers look to modernize, the strategic question shifts from “Who offers AI features?” to “Who offers a truly intelligent core that evolves with my business?” Only a handful of vendors currently meet that bar, and they will define the next decade of insurance innovation.

Recommendations

The future of L&A insurance will be shaped by a fundamental question: Will insurers continue to operate with systems of record, or evolve toward systems of intelligence? The answer will determine not just competitiveness, but survival in a market defined by real-time risk, lifelong engagement, and adaptive personalization.

AI is the catalyst, but only when treated as an enterprise-wide enabler embedded into the core, not a peripheral innovation initiative. The insights from the QKS AI Maturity Matrix reveal that while some vendors are paving the path forward, the broader market still faces significant executional gaps.

This section offers strategic recommendations tailored to both insurers and platform providers ensuring they not only keep pace with change but help shape it.

For Insurers: Reframe Core Modernization Around AI-Driven Intelligence

Insurers must begin by reframing how they approach platform modernization. Rather than seeking platforms that simply offer AI features, they must prioritize solutions built with an AI-native architecture. This means AI should be deeply embedded across underwriting, claims, policy servicing, and customer engagement not confined to chatbots, dashboards, or isolated analytics modules. A platform that integrates intelligence across the entire lifecycle becomes inherently more adaptive, responsive, and scalable.

More importantly, AI should be treated as infrastructure, not a project. Success with AI requires robust data pipelines, continuous feedback loops, built-in explainability, and lifecycle model management. Insurers must invest in platforms that support these capabilities natively, so they're not forced to patch together external tools or build separate AI stacks to compensate for core platform limitations.

As AI matures, customer journeys also need to be redesigned around intelligence. Insurers should move from policy-centric workflows to journeys that are proactive and

personalized anticipating needs, delivering timely nudges, and offering advisory-driven engagement at key decision points.

Finally, insurers must stop thinking about AI only as a driver of automation and start treating it as an enabler of adaptability. The true strength of AI lies not in its ability to eliminate manual tasks, but in its power to detect new risk patterns, respond to behavioral shifts, and support real-time decision-making across evolving scenarios. Platforms that learn and improve continuously without heavy reconfiguration or consulting dependence are the ones that will enable insurers to thrive in an increasingly volatile landscape.

For Vendors: Evolve from Core Platforms to Intelligent Operating Systems

For vendors, the mandate is clear: evolve from traditional core platforms into intelligent operating systems. This means moving beyond simply enabling AI through integrations or optional toolkits. Intelligence must be embedded into workflow engines, underwriting rules, claims adjudication logic, customer engagement strategies, and policy servicing triggers. AI should not feel external to the platform; it must be foundational and invisible, powering decisions in real time without requiring constant human intervention.

To support this shift, vendors must make serious investments in explainability and model lifecycle management. Vendors who offer native governance frameworks and integrated compliance support will have a clear advantage in highly regulated insurance environments. Moreover, product design must evolve from static modules to composable, AI-orchestrated journeys. Rather than treating each function like onboarding, billing, or claims, as a separate capability, vendors should enable insurers to orchestrate seamless, intelligent journeys that span the entire policy lifecycle. Platforms must support flexible orchestration of data, decisions, and experiences across internal and third-party systems.

While Generative AI opens new frontiers for automation, communication, and service augmentation, vendors must be disciplined in how they bring GenAI to market. Lastly,

vendors must ensure that AI is accessible to business users. AI will only scale if underwriters, claims handlers, servicing agents, and product managers can interact with models, understand their outputs, and configure workflows without needing a team of data scientists.

Future Outlook

The shift toward AI-first insurance platforms is no longer a matter of competitive advantage, it's a strategic imperative. As the market enters a new phase of digital evolution, insurers must re-evaluate their core systems not just for functionality, but for intelligence, adaptability, and long-term scalability. To prepare for the next generation of L&A innovation, insurers must realign their technology strategies around AI readiness and future-proof their core infrastructure.

In the next three to five years, underwriting and claims will undergo fundamental shifts driven by embedded AI and GenAI advancements. Underwriting, traditionally a static function, will become dynamic and continuous. AI models will allow for ongoing evaluation of customer risk profiles by automatically adjusting coverage, pricing, or conditions based on changing behaviors or financial indicators. The underwriting journey will also become modular, enabling insurers to offer flexible, customizable policy components that are tailored in real time to the individual's needs and circumstances.

Claims, meanwhile, will move closer to autonomous resolution. AI will handle not just document ingestion and triage, but decision-making for the majority of simple claims. Systems will be trained to interpret context, validate documentation, and issue settlements entirely without human involvement in many cases. More complex claims will be supported by intelligent assistants, which will summarize claim narratives, assess historical patterns, and guide adjusters through optimal resolution paths. Fraud detection will evolve from reactive checks to proactive behavior-based surveillance, allowing insurers to flag and prevent fraudulent behavior before claims are submitted.

GenAI will further transform the customer interface in both underwriting and claims. Policy summaries, benefit explanations, claim status updates, and servicing conversations will all be personalized, context-aware, and delivered in natural language. Over time, we expect underwriters and claims handlers to be supported by

AI co-pilots guiding their decisions, flagging anomalies, and ensuring consistency across complex portfolios. These changes will not only drive efficiency but fundamentally redefine how insurers assess, manage, and engage with risk.

Final Perspective

AI is not the next innovation in L&A insurance, it is the new foundation. Platforms that embrace AI as core infrastructure will enable insurers to operate with greater precision, responsiveness, and intelligence. As customer expectations continue to rise and risks become more volatile, only those with AI at the core will have the ability to anticipate needs, personalize engagement, and deliver outcomes that build long-term trust. The winners in this space will not be those who digitize faster, but those who learn faster, adapt faster, and govern AI better.

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