



Case Study

Insurance Verification for Financial Institutions

*How a **National Bank** Reduces
Borrower Risk and Improves
Loan Compliance*



The Problem

A national bank with more than 100 locations and a portfolio of 1M+ collateralized commercial loans was seeing an uptick in non-compliance with their insurance requirements for borrowers. This created a huge increase in risk that the company - which originates more than 250,000 loans each year - could not afford to assume.

This particular financial company provides each of their local banking entities with some flexibility when setting their own coverage requirements and verification methods - which can vary by loan size and evolve over time as the loan is paid back - but they were having trouble standardizing the borrower COI verification process so that it could be easily and universally adopted by their network of local banking centers.

The financial organization also manages several different brands of banks, credit unions, and other loan-origination companies, making it difficult for all of them to communicate clearly and consistently with borrowers across the

country in order to verify a wide range of commercial coverage types, including property, equipment, land, and more.

The company had such little visibility into their risk and compliance levels across their local banking centers that the personnel at each bank were spending substantial effort collecting and reviewing coverage, loan funding was either being delayed or high-risk exceptions were being made, and they were unable to force place insurance when needed.

The bank needed an insurance verification solution that could give them both consistency and flexibility.

The Solution

Marsh's fully-automated insurance verification solution, powered by Evident, gave the bank a high level of flexibility and precision that they did not think was possible.

Through our technology-based platform, the bank was able to automate over 95% of the process, creating more consistency in their borrower verification while still enabling local banking centers to implement their own customized coverage rules and requirements.

Our platform's powerful API was able to seamlessly integrate with the legacy technologies still being utilized by many of the local banking centers, as well as the new loan origination technology system into which the company is transitioning to modernize their workflows.

With a single view into the entire ecosystem, the financial institution was able to dramatically improve visibility into borrower compliance levels across all of their national banking centers, which helped inform risk models so they could reduce unnecessary exposure.

With so much variation across their bank and borrower ecosystem, the financial institution was thrilled with our ability to automate the typically exhausting and manual process of verifying coverage for loan approval.





We're reshaping how financial institutions view and manage borrower risk.

We're helping our customers make their financial businesses safer through automation, and saving them time, money, and resources in the process.

Our Insurance Verification-as-a-Service technology solution automates COI collection, analysis, decisioning, and reporting to help our customers make fast and informed decisions about engaging new borrowers, all without compromising their privacy.

Our game-changing technology eliminates the friction involved in traditional risk management operations and compliance processes by connecting the entire ecosystem of financial institutions, borrowers, brokers, and carriers to close coverage gaps. As a result, our customers significantly reduce borrower risk by improving their compliance with the loan origination insurance requirements.

For more information, contact your Marsh Client Executive.