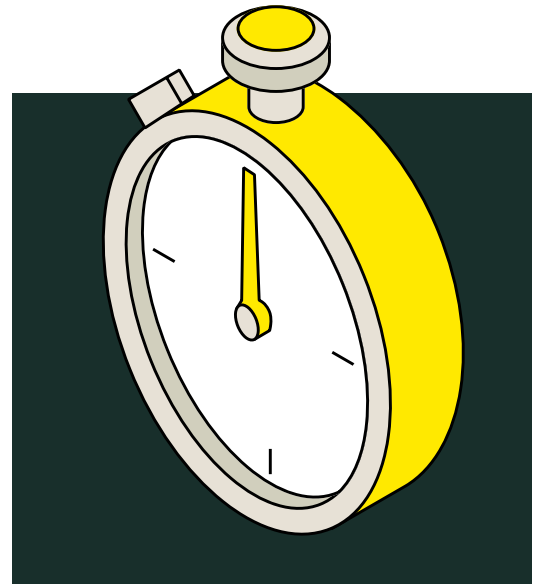


Compressing the Claims Clock: How Insurers Can Accelerate the Property Claim Cycle

40 Days.

That's the average length of time it takes to move from the first notice of loss to the final payment on a homeowners insurance claim, according to the J.D. Power 2026 U.S. Property Claims Satisfaction Study.

For policyholders recovering from a catastrophe, 40 days represents a disruption to daily life, finances and peace of mind.



For insurers, a 40-day cycle drives rising severity, increasing costs and preventable customer churn. Insurers that compress the claims cycle can free up team capacity, improve customer experience and create significant strategic advantage.

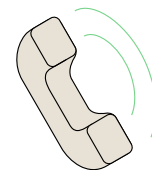
How to Achieve A 24-Day Claim Cycle, Without Adding Staff

Everyone wins when claims are settled faster... so why do they take so long? The answer can be found by alleviating a series of predictable bottlenecks – points where delays compound and momentum is lost. By addressing these friction points, insurers can slash the claim cycle by 16 days or more.

The sections that follow break down five friction points, places where time can be saved and outcomes improved.

PROPERTY CLAIM LIFECYCLE STAGE	CURRENT ESTIMATED DAYS	POTENTIAL AI TIME SAVING (DAYS)	PROJECTED DAYS
1. FNOL & First Contact	~4 days	2	~2 days
2. Data Capture & Integration	~4 days	2	~2 days
3. Set-Up, Assignment & Comms	~5 days	2	~3 days
4. Service Dispatch & Mitigation	~14 days	5	~9 days
5. Resolution & Final Payment	~14.7 days	5	~9.7 days
Approximate Total Time	~40.7 days (J.D. Power 2026)	16	~24.7 days

#1 Friction Point: The First Notice of Loss



Potential Time Savings with AI: 2 Days

The claims process begins with the first notice of loss (FNOL), and any missteps here can reverberate through the rest of the claim journey. If everything goes well, the claim gets off to a fast start, and the policyholder feels reassured that they're well cared for. If things don't go well, the claim may face delays, and the policyholder may start to view the process as adversarial.

Where Progress Lags

- **Limited or confusing reporting options.** Some policyholders want to call in to report their claims, while others prefer to hop online and engage via form or chat. When insurers don't offer options, or when the only options are hard to navigate, policyholder frustration is likely. Options are especially important during disasters when phone or internet service may be interrupted.
- **Long hold times and call abandonment.** Many claims are reported by phone. While this option can be convenient, long hold times are a common challenge, especially during periods of high volume. If claimants are placed on hold, they may hang up in frustration, delaying the start of the claim.
- **No after-hours support.** Claims don't always occur during normal business hours. Policyholders may need to report a loss at night, on the weekend, or during holidays, and a lack of after-hours service delays the timeline. If a claim can be reported overnight, the adjuster can start work first thing in the morning.
- **English only.** Insurance matters tend to require precise language, and that can be hard when you're speaking a second language. Add in the emotions that often accompany losses, and language can become a significant barrier.

How Insurers Can Accelerate the Journey

Provide multiple FNOL reporting options. If you offer multiple reporting options – phone, chat and digital form – policyholders can select the method they're most comfortable with.

Offer AI-powered digital FNOL for easy online reporting. Online forms should be integrated with core systems so fields prefill with policy data, and the new claim data automatically populates the claim system without the need for additional data entry. This eliminates data entry delays, so the adjuster can get started faster.

Deliver always-on service with Voice AI. With Voice AI, you can answer all calls with zero wait time, in multiple languages, even after hours or during heavy call volume. Delays due to call abandonment can be eliminated.

Speed to Answer in Seconds: Industry vs. Liberate AI

SECONDS

Industry Average

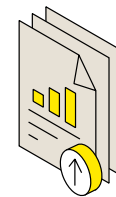
99

Liberate AI (Nicole)

1

Source: Industry avg = ContactBabel 2025
U.S. Contact Center Decision-Makers' Guide |
Liberate = published case studies (liberate.ai/case-studies)

#2 Friction Point: Data Collection and Integration



Potential Time Savings with AI: 2 Days

Efficient claims adjusting requires accurate data. Adjusters need to know loss and coverage details. If all the data comes together easily, the claim can progress without delay. If not, typos, mistakes and missing information can slow down the process.

Where Progress Lags

- **Tedious processes.** Many insurers still use manual data entry to move information from a call, form, or other reporting channel to the claims system. This takes time and can act as a bottleneck.
- **Human error.** People make mistakes. If team members are required to key a lot of numbers and data points, errors are inevitable.
- **Overlooked fraud.** If claims handlers are not alerted to potential red flags by data verification, or photo/video fraud scans, they may waste precious time on a claim that could have been denied.

How Insurers Can Accelerate the Journey

Leverage AI to eliminate manual data entry. AI can automate data transfer to the claim system to save time and reduce human error.

Use AI to spot red flags. Humans are great at using their reasoning skills, but AI excels at analyzing large amounts of data. When you integrate your FNOL with an AI-powered fraud detection tool, adjusters will be alerted to potential red flags.

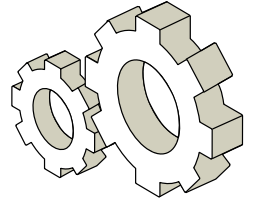


AI IN ACTION

How Branch Accelerates Time-to-Close for Homeowners Claims

- 01 Liberate Voice AI + Digital FNOL enables policyholders to report claims by phone 24/7 with no wait, while also facilitating claim reporting via a quick online form, with pre-filled policy fields and tap-and-click convenience.
- 02 Integration with Branch's policy and claims platforms enables structured data to pass between systems without the need for manual data entry.
- 03 Integration with fraud detection software produces a fraud likelihood score for submitted images, alerting claims adjusters of potential issues.
- 04 Automated vendor assignments expedite water mitigation services, helping to quickly contain potential damages.

#3 Friction Point: Claim Set Up and Assignment Workflow



Potential Time Savings with AI: 2 Days

Once the insurer has gathered the relevant data, it's time for the claim handler to get to work. This phase can be speedy, or it can drag out for days or weeks.

Where Progress Lags

- **Inefficient processes.** If the claim number, initial correspondence and adjuster assignments are not automated, the file could sit for a day or two before the file handler receives it.
- **Heavy workloads.** Insurance worker shortages and high claim volume can combine to create heavy workloads, leading to additional delays.
- **Lack of communication.** If claimants do not receive communication and confirmation of progress, they may call or email, further exacerbating high workloads. Even if the process is moving along well, policyholders may have a negative view of the progress if they are left in the dark.

“Managing expectations can negate the negative effects of an elongated claim cycle.”

DAVID PIEFFER, VICE PRESIDENT &
HEAD OF THE PROPERTY AND
CASUALTY PRACTICE AT J.D. POWER

How Insurers Can Accelerate the Journey

Automate claim and adjuster assignments. AI-driven workflows can assign a claim number, set the file up in the system and assign a file handler whose abilities and workload are the best fit for the assignment.

Provide automated status updates. An AI-driven process can automate communications so claimants receive automatic updates.

Integrate with core systems and third-party tools to reduce steps. Most claim processes involve a series of verifications including coverage limits and terms, police or fire report, weather, property value, personal property value, and more. When these systems are integrated, information flows smoothly to enable faster processes with fewer steps.

Provide real-time claim status updates 24/7. With an AI-enabled process, insurers can text claimant a link where they can check the status of their claims anytime. If they have questions, they can chat or speak with an AI agent.

#4 Friction Point: Service Dispatch

Potential Time Savings with AI: 5+ Days

Many claims require repairs, and some repairs are more urgent than others. In some cases, immediate service dispatch can make a notable difference in claim severity. Delays can also lead to additional ancillary costs, such as hotel stays.

Where Progress Lags

- **Lack of triage.** Some losses are urgent and require immediate service. Water damage is a prime example. If no one looks at the claim for three days, the damage will be much more extensive and expensive.
- **Long service waits.** Vendor backlogs can lead to additional delays. Policyholders may blame the insurer even if the delays come from a third party.

How Insurers Can Accelerate the Journey

Use AI-enabled triage. During the FNOL process, urgent cases can be flagged and routed for immediate attention.

Automatic service dispatch. AI agents can integrate with tarping, water damage, roofing or restoration services (and others) to deploy services automatically when damage thresholds are met – during the FNOL process. The claimant can authorize dispatch during the FNOL engagement.



Typical damage progression following a water event

First 24 hours

- Water saturates flooring, drywall, and insulation
- Wood framing begins absorbing moisture
- Paint and finishes begin deteriorating

24–48 hours

- Drywall softens and may require removal
- Flooring adhesives fail
- Bacterial contamination begins forming

48–72 hours

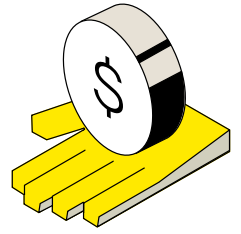
- Mold growth can begin
- Structural materials may warp
- Odors develop

Beyond 72 hours

- Mold remediation may be required
- Structural damage may occur
- Repairs become much more expensive

#5 Friction Point: Claim Resolution

Potential Time Savings with AI: 5 Days



Once repairs are complete or payments are provided, the claim can be closed, and the policyholder can move on. If everything is satisfactory, the policyholder may become a loyal customer. If the claims resolution doesn't meet expectations, the policyholder may decide to switch insurers as soon as possible.

Where Things Go Wrong

- **Unrealistic expectations.** Policyholders are often frustrated when a claim is denied or the payout is lower than expected, even if the problem is that they misunderstood their coverage.
- **Payment delays.** Some payment methods, particularly paper checks, can add days to the process.

How Insurers Can Accelerate the Journey

Help policyholders understand their coverage. Before a claim occurs, insurers can support claim satisfaction by providing AI tools and communication to help policyholders understand their coverage.

Practice proactive and transparent communication. If policyholders know what to expect at every step, and they can get claim status updates whenever they want, expectations can be managed.

Offer modern payment options. Instant payments are one more way to speed up claims and improve satisfaction.

65.2%

of insurance complaints stem from claims handling. Delays and unsatisfactory settlements or offers were the top complaints.

Source: [ValuePenguin](#)

How Liberate Helps Insurers

Turn 40 Days Into 24

There's no arguing that claim cycles have become bloated. Many reasons, such as labor and building supply shortages, are outside of insurers' control. But that doesn't mean that nothing can be done to improve the claim journey – quite the opposite in fact.

By focusing on the five claim automation points outlined in this report, insurers can dramatically accelerate time-to-close, while lowering costs and providing exceptional policyholder experiences.

Data from the U.S. Bureau of Labor Statistics indicates the insurance industry will lose **400,000 employees** by 2026.

Source: [Property Casualty 360](#)

Compelling Metrics

Insurers that have adopted Liberate AI have experienced the following advances.

1 second

average speed to answer

0%

call abandonment rate

40%

autonomous FNOL completion rate

50%

reduction in call duration

67%

improvement in FNOL handling time

14X

more claims handled within a 2-week period with no additional staff

How Liberate Sets Your Team Free

Liberate helps insurers drive more than 10% revenue growth and delight their customers while cutting operating costs by greater than 25% by deploying insurance-native AI agents across sales, service, and claims.

Nicole, Liberate's voice-first AI agent, answers customers instantly, completes workflows inside core systems, and escalates exceptions to humans with full context 24/7. Liberate is built for insurance: long-form, regulated conversations and real task execution, not just chat. Its System of Action orchestrates end-to-end processes with governance built in, including safety guardrails, monitoring, and audit-ready records of every interaction. The result is higher conversion, faster resolution, and measurable expense-ratio impact.

Request a demo >