



White paper

Why more life insurance execs see agentic AI as the next operating model

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From fragmented automation to intelligent, end-to-end journeys that improve speed, accuracy, and customer trust, AI evolves from simple task execution to a proactive, context-aware partner throughout the insurance process.

About the power of agentic AI

- Accelerates decisions across all policy processes
- Eliminates operational bottlenecks for superior efficiency
- Delivers personalized, data-driven coverage at scale
- Enhances transparency and trust through explainable AI
- Maximizes ROI with strategic human-AI integration

A new kind of digital coworker

Imagine a specially trained insurance executive assistant who is always at their best. They understand the company's mission, never lose track of a case, never delay, and only get better with each interaction. They recognize when a customer is anxious, when a claim needs escalation, and when a policy lapse risk requires proactive outreach.

That's the promise of agentic AI. In life insurance, it functions as an always-on digital coworker that blends understanding, judgment, and action. It does not simply follow a script. It interprets context, evaluates options, and moves work forward in ways that feel both efficient and thoughtful.

As this technology matures, leading life insurers are using agentic AI to shorten processing times, improve underwriting accuracy, and create more transparent, supportive customer journeys. The opportunity is significant, but capturing it requires careful design, a strong data foundation, and a clear view of where human judgment matters most.

Understanding agentic AI in life insurance

Agentic AI represents a new class of intelligence designed to navigate complex, judgment-heavy environments such as life insurance. Traditional automation followed predefined rules. Earlier AI models could analyze patterns but struggled with unpredictable scenarios and nuanced customer interactions.

By contrast, agentic AI operates as an autonomous digital decision-maker that can understand context, interpret intent, and take meaningful action across the policy lifecycle. Instead of waiting for direct human instructions, it evaluates each situation and chooses the next best step, much like a highly trained specialist.



For life insurers, agentic AI is powerful because it can:

- **Interpret real-world conditions:** Analyze medical information, lifestyle patterns, documents, conversations, and environmental data to form a clear picture of a customer's needs.
- **Reason through uncertainty:** Weigh options when situations do not fit a strict rulebook, such as complex claims, nuanced underwriting cases, or financial assessments.
- **Act independently across systems:** Trigger reminders, update policy details, request documents, perform risk assessments, communicate with customers, or escalate issues without manual intervention.

This blend of understanding, judgment, and action allows agentic AI to operate as a digital colleague that is ever-improving and ever-ready to assist. When designed well, it can even detect patterns of hesitation or dissatisfaction, enabling insurers to respond in ways that feel both timely and empathetic.

Key benefits for life insurance policyholders

When life insurers embrace agentic AI, policyholders experience benefits at every stage of their journey. The technology gives organizations flexibility to design solutions that align with their business needs while keeping the customer at the center.

Smoother onboarding

Traditionally, applying for life insurance has been a time-consuming process filled with long forms and lengthy waiting periods. Agentic AI simplifies this experience. It reviews documents instantly, checks for missing information, and guides applicants only through the questions that are truly necessary.

The result is a simpler, more intuitive onboarding process. Applicants can move from initial inquiry to decision faster, with fewer touchpoints and less confusion. Agentic AI also integrates with other technologies to improve performance and response times, further reducing friction.

Coverage that reflects real life

Agentic AI can analyze large volumes of information in real time, including lifestyle indicators, health data, and financial profiles. This gives insurers a clearer view of customer needs.

Policies become more tailored. Pricing is more precise. Adjustments are easier to make as life events occur. Instead of static, one-size-fits-all offerings, customers receive coverage that reflects their day-to-day realities, whether they are improving their wellness, managing chronic conditions, or navigating major milestones.

Greater transparency and trust

Trust is the foundation of life insurance. As AI plays a larger role in decision-making, customers want to understand how and why decisions are made.

Insurers are increasingly able to explain how agentic AI supports:

- More accurate underwriting.
- Fewer human errors.
- Reduced bias.
- Consistent decisions.
- Personalized agent engagement.
- Faster response times.

When customers see fairness and consistency in outcomes, and when the role of AI is communicated clearly, confidence in both the insurer and the technology increases.

Customer-centric use cases for agentic AI

Agentic AI is already delivering value for policyholders and insurers. Some of the most impactful applications include:

Rapid, independent claims handling

Agentic AI can improve the claims experience from first notice through resolution. It verifies details, reviews documents, identifies missing information, and resolves straightforward cases quickly.

When a claim requires human empathy or deeper judgment, the AI routes it to the right specialist with an organized summary of key facts. This balance of automation and human expertise helps customers move through emotionally difficult moments with less delay and more clarity.

EXAMPLE: A global insurer embedded explainable AI directly into claims workflows, enabling automated decisions while strengthening fraud detection and service performance. The approach increased fraud identification by 73% and improved first-call resolution, CSAT, and NPS.



Personalized renewals driven by real insights

Traditional renewals often miss personal changes. Agentic AI continuously analyzes an insured's evolving profile and can:

- Suggest updates before renewal dates
- Identify potential coverage gaps
- Offer personalized recommendations
- Provide proactive reminders and support

It can also recognize when a customer may be at risk of discontinuing a policy and engage them with relevant options, supporting both customer protection and retention.

EXAMPLE: AA large insurer used AI-driven predictive models and omnichannel automation to anticipate churn risk and deliver personalized renewal offers in real time. The result was a 91% increase in effective retention and a 40% lift in renewal-driven revenue.

AI-powered policy performance summaries

Modern customer and advisor portals can use agentic AI to create simple, visual summaries of policy performance. These summaries highlight:

- How coverage aligns with life events
- Areas where protection could be strengthened
- Potential future needs as circumstances change
- Any risks to the current state of the policy

Because these tools are available on demand, customers and advisors gain clarity without long calls or complex paperwork.

EXAMPLE: An insurance analysis platform applies agentic AI to continuously evaluate policy performance, costs and coverage gaps. Advisers receive clear, actionable summaries that turn complex policy data into confident client conversations.

Challenges in delivering AI-driven customer experiences

Despite its promise, agentic AI brings real-world challenges that insurers must manage carefully.

Balancing automation with human empathy

Life insurance is deeply personal. When people face illness, loss, or financial uncertainty, empathy matters as much as speed. Agentic AI can handle routine steps and background work, but customers still expect human reassurance during critical moments.

The goal is partnership, not replacement. AI should take on repetitive tasks so that human experts can focus on conversations where emotional intelligence and nuanced judgment are essential. This allows teams to work smarter and concentrate on what matters most to clients.



Data quality and system integration

Life insurers often work with legacy systems, fragmented data, and inconsistent documentation. AI decisions are only as strong as the information they receive. Poor data quality, siloed departments, and rigid platforms make implementation harder and can introduce risk.

Insurers need to invest time upfront to understand business needs, clean and consolidate data, and plan an architecture that supports AI at scale. The more high-quality, well-structured data that is available, the better agentic AI will perform.

Ensuring decisions are explainable and fair

Customers should always be able to understand why an outcome occurred, and regulators increasingly expect clear explanations. Insurers must ensure that AI models are monitored, explainable, and designed to minimize bias.

Building robust governance frameworks, documenting decision logic, and maintaining human oversight help safeguard fairness, reduce the risk of misunderstandings, and sustain trust.

Best practices for implementing agentic AI in life insurance

The most successful insurers approach agentic AI as a strategic change, not a point solution.

Prepare teams for human-AI collaboration

Employees need to understand how agentic AI works and how it elevates their roles. Training should emphasize when to rely on AI, when to override it, and how to interpret its recommendations.

Clear communication about the human-AI partnership helps reduce anxiety, encourages adoption, and ensures that employees remain central to customer relationships.

Continuously monitor for fairness and accuracy

Agentic AI is not a “set it and forget it” capability. Insurers should regularly review performance, accuracy, and bias indicators. Combining human oversight with ongoing model tuning keeps decisions aligned with regulatory expectations and customer needs over time.

Start with high-value, lower-risk processes

Processes that require low to moderate manual intervention, such as document review, claim triage, automated reminders, or data collection, are strong starting points. These early use cases deliver quick, visible wins while allowing teams to refine models and workflows before moving into more complex areas.





The time to invest in agentic AI is now

Agentic AI is reshaping life insurance by bringing greater speed, precision, and personalization to every interaction. From initial quote to claims resolution, customer journeys can become smoother, more transparent, and more supportive when AI is thoughtfully embedded into processes.

Realizing this vision, however, requires more than new software. Insurers must modernize data and systems, build clear governance, and design experiences where human empathy and AI-driven intelligence work together.

For organizations that take a strategic, customer-centric approach, agentic AI becomes more than a tool. It becomes a new way of operating that strengthens trust, delivers measurable value, and positions life insurers to lead in an increasingly AI-driven market.

To learn more about EXL's capabilities in agentic AI, please [visit us online](#) today.



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