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Improving Manual Warranty Claim Processes

A Practical Playbook for Warranty Leaders

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1. Introduction

Warranty leaders often view manual claim assessment as a cost center or administrative checkpoint. Claim volumes are increasing, products are becoming more complex, experienced technicians and adjusters are harder to find, and customers expect faster approvals with fewer disputes. At the same time, warranty leakage, inconsistent decisions, poor repair quality, and unnecessary rework continue to erode margins.

Instead of just processing claims faster, the real opportunity is in making better, more consistent decisions across the entire warranty lifecycle, from repair order write-up and diagnosis to claim review, exception handling, payment, and feedback to the service network.

When designed well, claim automation becomes a powerful control point for improving warranty accuracy, service quality, dealer performance, and customer satisfaction.

The warranty leaders have the opportunity to use AI across the warranty lifecycle, from the first customer concern through repair, claim submission, adjudication, payment, and quality feedback. The most valuable theme is an orchestrated warranty decision layer that uses connected data, DMS repair orders, telematics, parts and scheduling data, attachments, warranty policies, TSBs/recalls, and quality records to improve speed, accuracy, and consistency.

The Connected Warranty Decision Layer

1 Customer Concern	2 Diagnosis & Repair	3 RO Write-up	4 Claim Submission	5 Adjudication & Payment	6 Quality Feedback
DMS Repair Orders	Telematics & Fault Codes	Parts & Scheduling	Attachments: photos, video, docs	Warranty Policies	TSBs, Recalls & Quality Records

- Move warranty from reactive claim review to proactive, connected-data-driven guidance before and during the repair.
- Use AI to improve RO write-up quality, capture the customer concern, recommend the likely root cause, and guide correct repair with confidence levels.
- Automate clear prior-approval and claim decisions while routing exceptions to humans with an evidence trail and explanation.
- Use AI to read and validate attachments, scanned documents, photos, video, and technician notes before the claim is submitted.
- Create a closed loop between warranty, dealer operations, quality, finance, and product/engineering so warranty signals reduce repeat failures and NTF issues.

2. Manual Claim Assessment

Even as automation and AI become more widely adopted, many organizations still rely on manual assessment models that were designed for a different era.

Traditional claim review processes often depend on tribal knowledge, individual adjuster experience, disconnected systems, inconsistent documentation, and reactive back-and-forth with dealers, repair facilities, or service teams. This leads to avoidable delays, inconsistent outcomes, unnecessary escalations, and claim leakage.

Warranty leaders should view claim assessment as a decision system. The goal is to ensure that the right claims go to the right people, with the right context, at the right time, using consistent rules, policies, evidence, and escalation paths. Manual claim assessment can be reserved for complex, high-value, ambiguous, or exception-based claims.

3. Designing a Better Claim Assessment Process

A strong claim assessment process starts with a clear process design. Every claim shouldn't be treated the same way. Low-risk, complete, policy-compliant claims should move quickly, while high-risk or incomplete claims should be routed to the most qualified resource based on claim type, product, failure mode, dealer history, repair cost, and available evidence.

This requires a structured approach to claim routing. Instead of relying on queues organized by date or region, warranty teams should route claims based on decision complexity and risk. For example, a simple parts-only claim with complete documentation may be reviewed differently from a repeat repair, a high-dollar engine claim, or a claim involving goodwill, policy exceptions, or suspected improper repair.

Standard workflows and decision points are equally important. Assessors need clarity on what to check, what evidence is required, which policies apply, when to approve, when to deny, when to adjust, and when to escalate.

Without consistent decision points, organizations end up with different assessors making different decisions on similar claims.

Exception management is where many claim operations break down. Exceptions shouldn't be handled informally through emails, side conversations, or undocumented approvals. They should have defined escalation paths, decision authority, documentation requirements, and audit trails. This protects the business while giving assessors the flexibility to handle legitimate edge cases.

A mature process should define common assessment paths, such as:

Claim Scenario	Recommended Assessment Path
Complete, low-risk claim	Fast-track review or auto-approval
Missing documentation	Return for correction or request additional evidence
High-dollar claim	Senior assessor review
Repeat repair	Root-cause review and possible technical escalation
Policy exception	Supervisor or warranty manager approval
Suspected leakage or abuse	Audit, investigation, or dealer performance review
Diagnostic uncertainty	Technical help desk escalation

4. Metrics That Matter in Claim Assessment

Warranty teams often track claim volume and cycle time, but those metrics alone aren't enough. Faster processing is only valuable if decisions are accurate and consistent. A high-speed claim operation that approves the wrong claims or creates dealer disputes isn't truly efficient.

Warranty leaders should manage manual claim assessment using a balanced set of KPIs across accuracy, efficiency, quality, and financial impact.

A Balanced Set of Warranty KPIs

Accuracy & Consistency

- Correct approval & denial accuracy
- Audit pass rate
- Decision variance by assessor, dealer & product

Efficiency & Productivity

- Time to first review & final decision
- Aging by queue
- Claims per assessor
- Cost per claim

Quality & Rework

- Returned claims & resubmissions
- Missing documentation
- Escalation & exception rates

Financial Impact & Leakage

- Overpayment & improper labor
- Non-covered parts
- Repeat-repair cost
- Dealer disputes

Internal and external service level agreements should also be clearly defined. Internal SLAs help warranty leaders manage work queues, staffing, and escalations. External SLAs set expectations with dealers, repair networks, administrators, and customers.

For example, a warranty organization may define different SLAs for claim categories: simple claims reviewed within 24 hours, high-value claims within 48 hours, technical escalations within three business days, and payment processing within a defined window

after approval. The key is to align SLAs with claim complexity rather than applying one generic standard to all claims.

5. Integrating Claim Assessment and the Warranty Help Desk

5.1 Disconnect between Claims and Support Operations

Many warranty organizations separate claim assessment from warranty support or help desk operations. That separation often creates rework.

A dealer or repair facility may contact the warranty help desk to ask about coverage, documentation, labor time, diagnostic steps, or prior authorization. Later, when the claim is submitted, the assessor may not have visibility into that conversation. The result is duplicated effort, inconsistent guidance, disputes, or resubmissions.

Integrating claim assessment with the warranty help desk creates a more complete decision record. The assessor can see prior questions, approvals, diagnostic guidance, uploaded evidence, policy interpretations, and escalation history. The help desk can also guide the repair facility before the claim is submitted, reducing avoidable errors upstream.

This integration is especially valuable for reducing:

- Rework caused by missing or incomplete documentation.
- Disputes caused by inconsistent policy interpretation.
- Resubmissions caused by poor repair order write-up.
- Escalations caused by unclear coverage or labor guidance.
- Leakage caused by approving claims without the full context.

A connected warranty operation should treat every interaction as part of the claim decision journey.

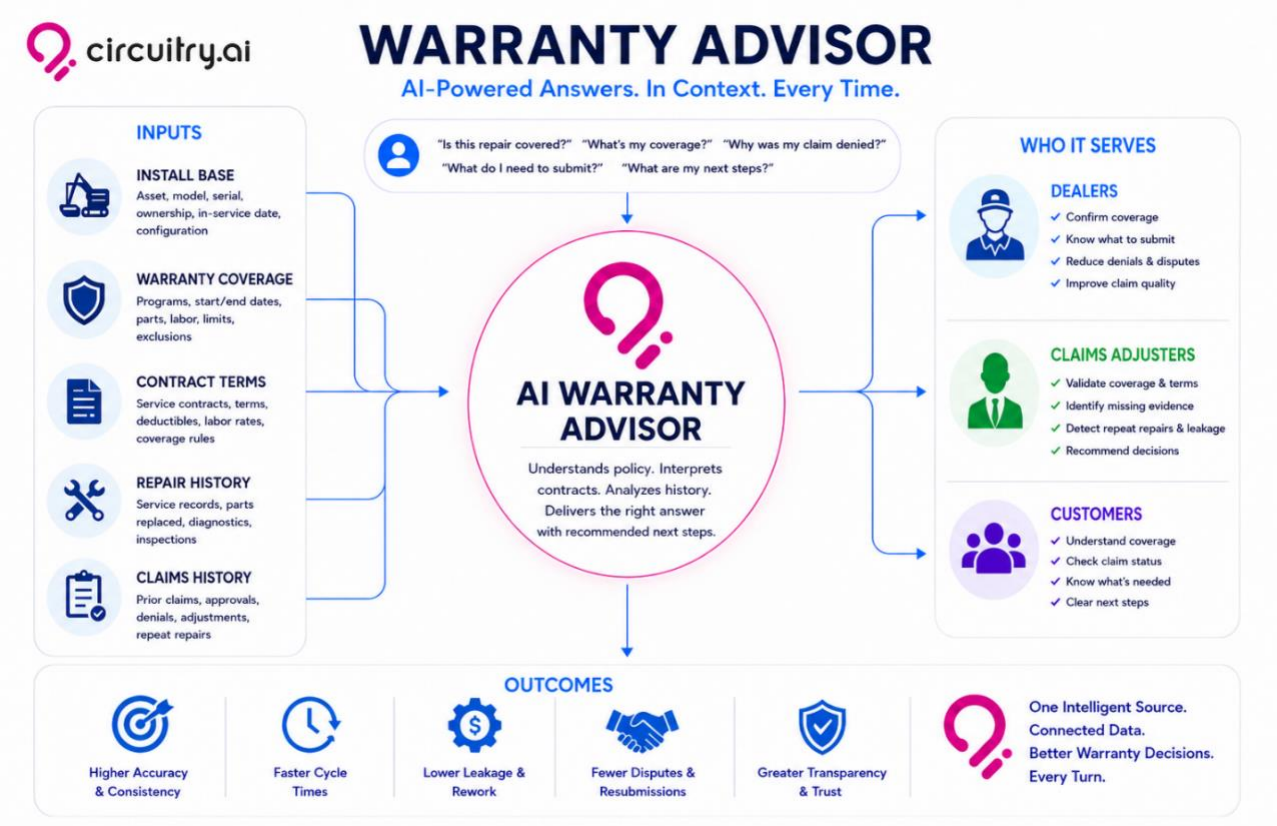
5.2 AI-powered Warranty Answers for Dealers, Claims Adjusters, and Customers

Circuitry.ai's AI-powered Warranty Advisor serves as a single intelligent source for warranty answers across dealers, claims adjusters, customer service teams, and customers. It connects to the key systems that drive warranty decisions, including the install base, warranty coverage, contract terms, repair history, and claims history, so users can quickly answer questions such as whether a repair is covered, what documentation is required, whether prior authorization is needed, why a claim was denied or adjusted, and what next steps should be taken.

For dealers, the Warranty Advisor helps confirm coverage before work begins, improve repair order and claim submission quality, and reduce denials, disputes, and resubmissions.

For claims adjusters, it provides decision support by validating coverage, interpreting contract terms, identifying missing evidence, detecting repeat repairs or possible leakage, and recommending whether to approve, deny, adjust, inspect, or escalate a claim.

For customers, it translates complex warranty and service contract language into clear explanations about coverage, claim status, and required actions.



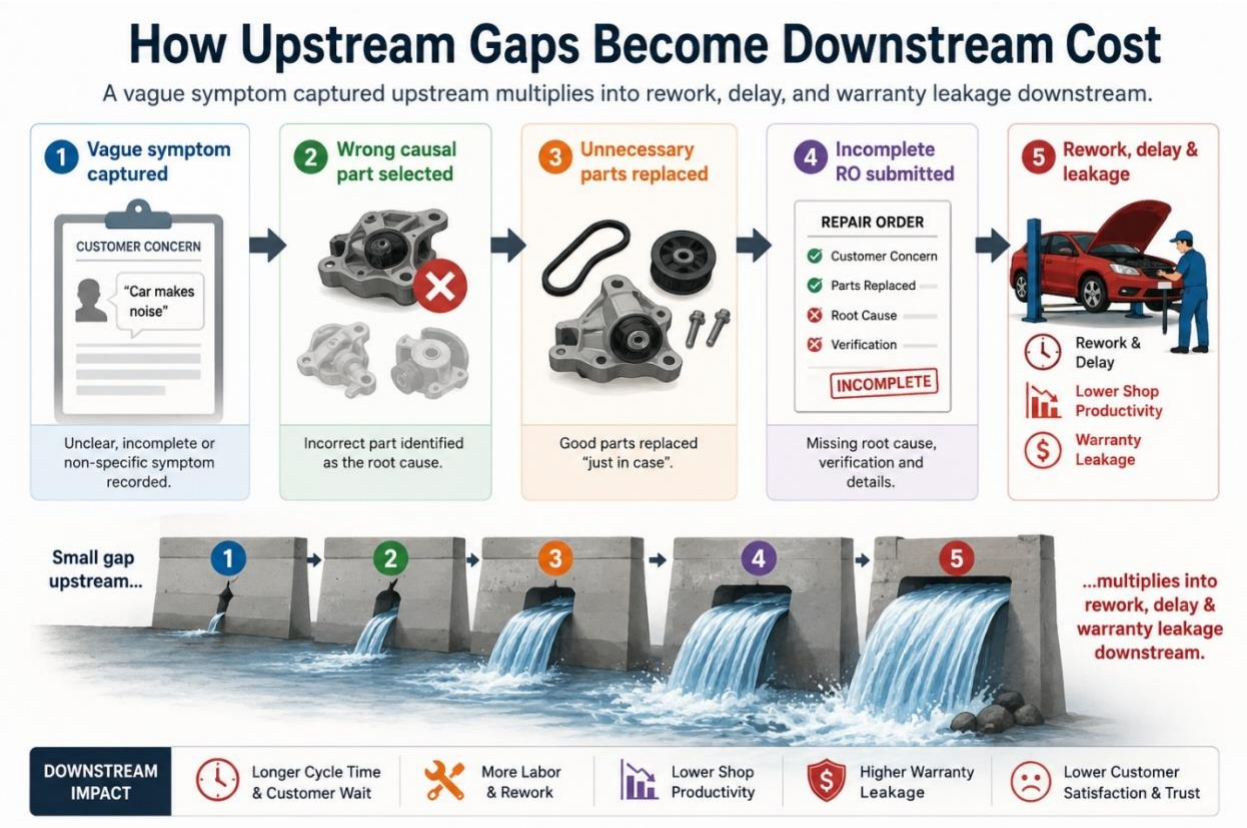
By bringing warranty policy, contract language, asset data, service history, and claims history together, Circuitry.ai creates a consistent warranty intelligence layer for the entire service network. This improves accuracy, consistency, cycle time, and transparency, while reducing rework, disputes, manual effort, and warranty leakage. Instead of relying on disconnected systems and individual interpretation, warranty teams can deliver the right answer at the right time and make better warranty decisions every turn.

6. The Upstream Problem: Poor Diagnosis Creates Downstream Warranty Cost

Manual claim assessment can catch many problems, but it can't fully compensate for poor diagnosis or poor repair documentation. Many warranty issues begin before the claim is ever submitted.

A technician may capture vague symptoms, select the wrong causal part, replace unnecessary components, or perform a repair that doesn't align with policy. A service advisor may write an incomplete repair order. A dealer may submit a claim that lacks the evidence needed to support the repair decision. By the time the claim reaches the assessor, the organization is already dealing with rework, delay, or financial exposure.

That is why improving claim assessment must go hand in hand with improving diagnostic quality upstream.



6.1 Preventing Warranty Cost Upstream with AI-Powered Technician Enablement

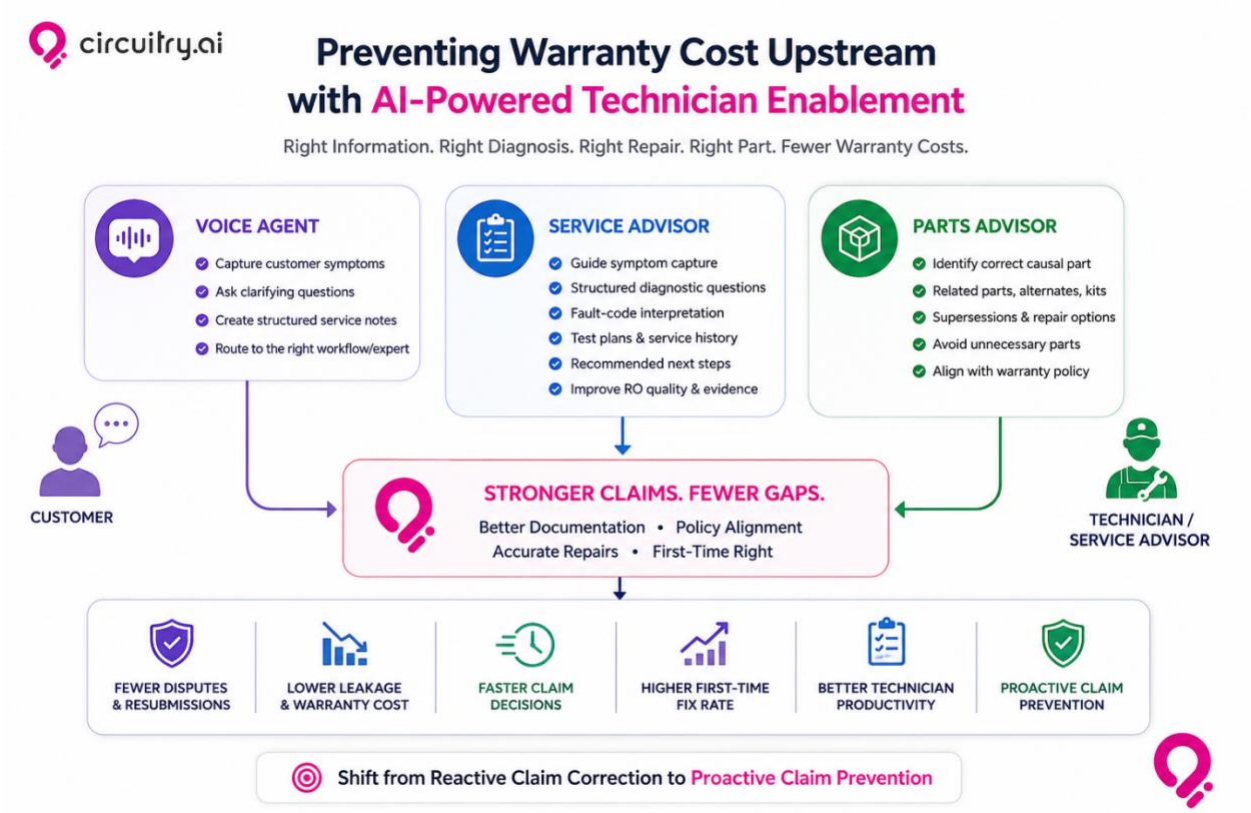
AI-powered technician enablement helps prevent warranty problems before they become claims. Circuitry.ai's Service Advisor guides service advisors and technicians through structured symptom capture, diagnostic questions, fault-code interpretation, test plans, service history, and recommended next steps.

This improves the quality of the repair order by helping teams consistently document the customer complaint, verified condition, root cause, corrective action, and supporting evidence. As a result, claims are submitted with stronger documentation and fewer gaps for assessors to chase later.

Circuitry.ai's Parts Advisor further reduces downstream warranty cost by helping technicians identify the correct causal part, related parts, alternates, kits, supersessions, and repair options. This helps avoid unnecessary part replacement, incorrect part usage, repeat repairs, and claims that do not align with warranty policy or coverage. When technicians are guided to the right diagnosis, right repair, and right part the first time, warranty teams see fewer disputes, fewer resubmissions, lower leakage, and faster claim decisions.

The Voice Agent extends this enablement to the front end of the service process by capturing customer symptoms, asking clarifying questions, creating structured service notes, and routing the issue to the right workflow or expert.

Together, the Service Advisor, Parts Advisor, and Voice Agent create an upstream intelligence layer that improves diagnostic quality, repair accuracy, documentation completeness, and policy alignment before the claim reaches manual assessment. This shifts warranty operations from reactive claim correction to proactive claim prevention.



7. Improving Repair Order Write-up Quality

The repair order is the foundation of a good warranty claim. If the RO is incomplete, vague, or inconsistent, the claim assessment process becomes slower and less reliable.

Warranty leaders should work with service operations to improve how symptoms, conditions, diagnostics, root cause, corrective action, and test results are captured. Instead of creating more paperwork, the goal is to capture information that is actionable.

A strong repair order should clearly answer:

- What symptom did the customer report?
- What condition did the technician verify?
- What diagnostic steps were performed?
- What fault codes, measurements, images, or test results support the diagnosis?
- What root cause was identified?
- What repair was performed?
- How was the repair validated?
- Was the repair aligned with warranty policy and coverage?

This level of documentation helps assessors make faster and more accurate decisions. It also helps engineering and quality teams identify recurring product issues, training gaps, dealer performance patterns, and potential campaign opportunities.

7.1 Improving Repair Order Quality with AI-guided Voice Documentation

AI can significantly improve repair order write-up quality by making documentation easier for technicians while making the output more complete, structured, and warranty-ready.

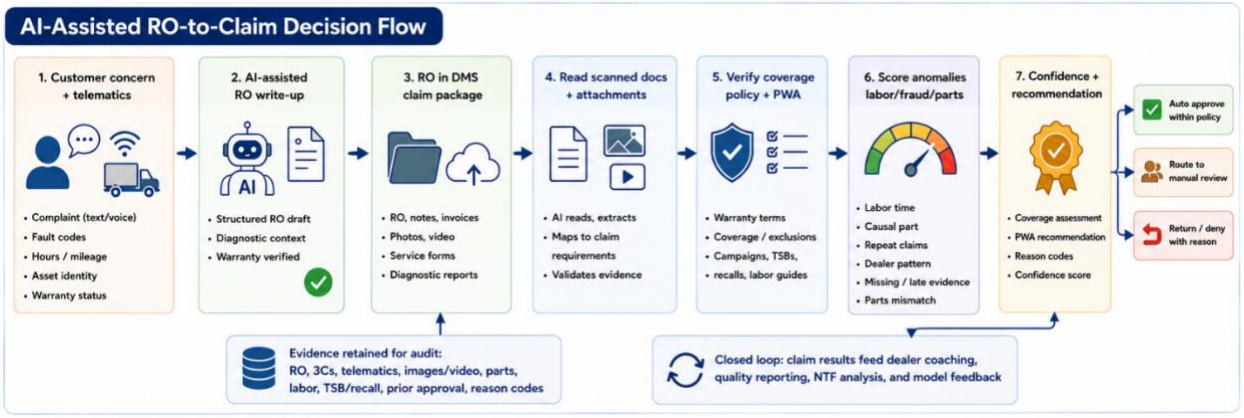
With Circuitry.ai's **Voice Agent**, technicians can verbally record the repair narrative while performing or completing the job, instead of typing notes after the fact. The AI captures the technician's spoken explanation, organizes it into a clear repair order narrative, and structures the information around the key warranty elements: customer complaint, verified condition, diagnostic steps, fault codes, measurements, images, root cause, corrective action, and repair validation.

Circuitry.ai's AI-powered Service Advisor can also guide service advisors and technicians through the right questions during the write-up process. For example, if the technician records that a component was replaced, the Service Advisor can prompt for the supporting test result, causal part, failure mode, fault code, or photo required by warranty policy. If the symptom description is vague, the AI can ask clarifying questions to make the complaint and condition more actionable. This helps ensure the RO clearly explains what failed, why it failed, what was done to confirm the failure, what repair was performed, and how the repair was validated.

The result is better documentation captured naturally as part of the service workflow. Stronger RO write-ups help claims assessors make faster and more accurate decisions, reduce back-and-forth with dealers, minimize denials and resubmissions, and improve policy compliance. Over time, this structured repair data also gives warranty, engineering, and quality teams better visibility into recurring failures, diagnostic gaps, technician training needs, dealer performance trends, and potential product quality issues.

8. RO-to-claim Automation and Guided Repair

AI agents can convert the repair order into a clean claim package and improve root-cause accuracy before repair is completed.



Input / stage	Data required	AI output
Customer concern + telematics	Complaint text/voice, fault codes, hours/mileage, asset identity, warranty status.	Structured RO draft; diagnostic context; warranty verified.
DMS RO and scanned documents	RO, notes, invoices, photos, video, service forms, diagnostic reports.	AI reads, extracts, maps, and validates required evidence.
Policy and coverage checks	Warranty terms, coverage, exclusions, campaigns, TSBs, recalls, labor guides.	Coverage assessment, PWA recommendation, reason codes.
Anomaly and fraud scoring	Labor time, causal part, repeat claims, dealer pattern, missing/late evidence, parts mismatch.	Risk score; dealer alert; manual review routing.
Decision and feedback	Approve, adjust, return, deny, part return, audit, quality feedback.	Explainable output and closed-loop learning.

8.1 Helping Technicians Reach the Correct Root Cause

Many warranty claims are symptoms of a deeper diagnostic challenge. Technicians are working on increasingly complex products with more electronics, software, sensors, connectivity, and integrated systems. At the same time, experienced technicians are retiring, and newer technicians need guidance to perform at the level of senior experts.

Warranty leaders should support upstream diagnostic quality by connecting technicians to better tools, structured test plans, technical documentation, historical repair data, and expert escalation paths.

Diagnostic equipment, guided troubleshooting, fault-code interpretation, telematics data, and technical help desk support should work together. When technicians can reach the correct root cause the first time, warranty organizations benefit from fewer repeat repairs,

fewer unnecessary part replacements, fewer claim disputes, and better customer satisfaction.

The technical help desk plays a critical role in this model. It shouldn't only answer difficult questions but also capture diagnostic insights that can be reused across the service network. When a help desk resolves a complex issue, that knowledge should become part of the broader warranty and service intelligence base.

8.2 Guiding the Correct Repair Decision

A correct diagnosis doesn't automatically guarantee a correct warranty decision. The repair still needs to align with coverage, policy, labor guidelines, parts eligibility, prior authorization requirements, and documentation standards.

This is where warranty, service, and technical teams need a shared decision framework. Technicians and service advisors should be guided toward repairs that are technically correct but also compliant with warranty policy. Assessors should have visibility into the diagnostic path and repair rationale. Warranty managers should be able to see where policies are creating friction or where repair networks need additional training.

For example, if a component failure can be addressed through a lower-cost repair instead of full replacement, the technician should receive that guidance before the claim is submitted. If a repair requires prior authorization, the system should identify that requirement early. If a claim requires photos, fault codes, or test results, those should be captured during the service event rather than requested days later.

The best warranty operations reduce claim friction before the claim reaches the assessor.

9. The Role of Technology in Modern Claim Assessment

Modern warranty operations need a connected decision layer that brings together claims data, repair orders, diagnostic data, service history, policy rules, parts information, telematics, technical help desk interactions, images, documents, and prior claim outcomes.

AI-powered Decision Intelligence can support warranty teams by helping:

- Route claims based on risk, complexity, and required expertise.
- Identify missing or inconsistent claim information.
- Recommend approve, deny, adjust, inspect, or escalate actions.
- Compare claim details against policy and coverage.
- Analyze repair order narratives, 3Cs, images, and supporting documents.

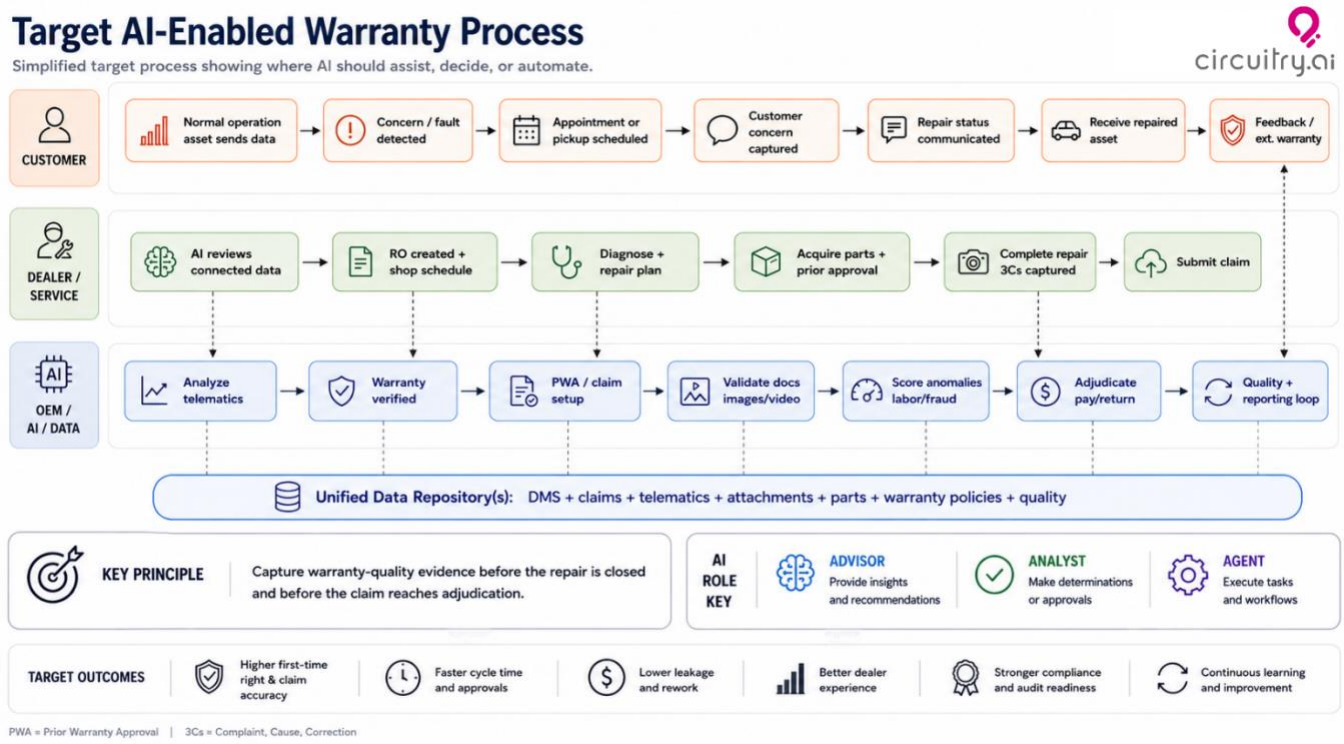
- Detect repeat repairs, abnormal labor, excessive parts usage, and potential leakage.
- Provide assessors with explanations and supporting evidence.
- Capture feedback from human decisions to improve future recommendations.
- Guide technicians and advisors upstream before claims are submitted.

This doesn't mean replacing human expertise. It means giving assessors, technicians, service advisors, and warranty managers better context and more consistent decision support.

The future of claim assessment isn't purely manual or purely automated. It's a hybrid model where AI handles routine analysis, flags risks, recommends decisions, and surfaces evidence, while humans focus on judgment, exceptions, escalations, policy interpretation, and continuous improvement.

10. Target Warranty Process and AI intervention points

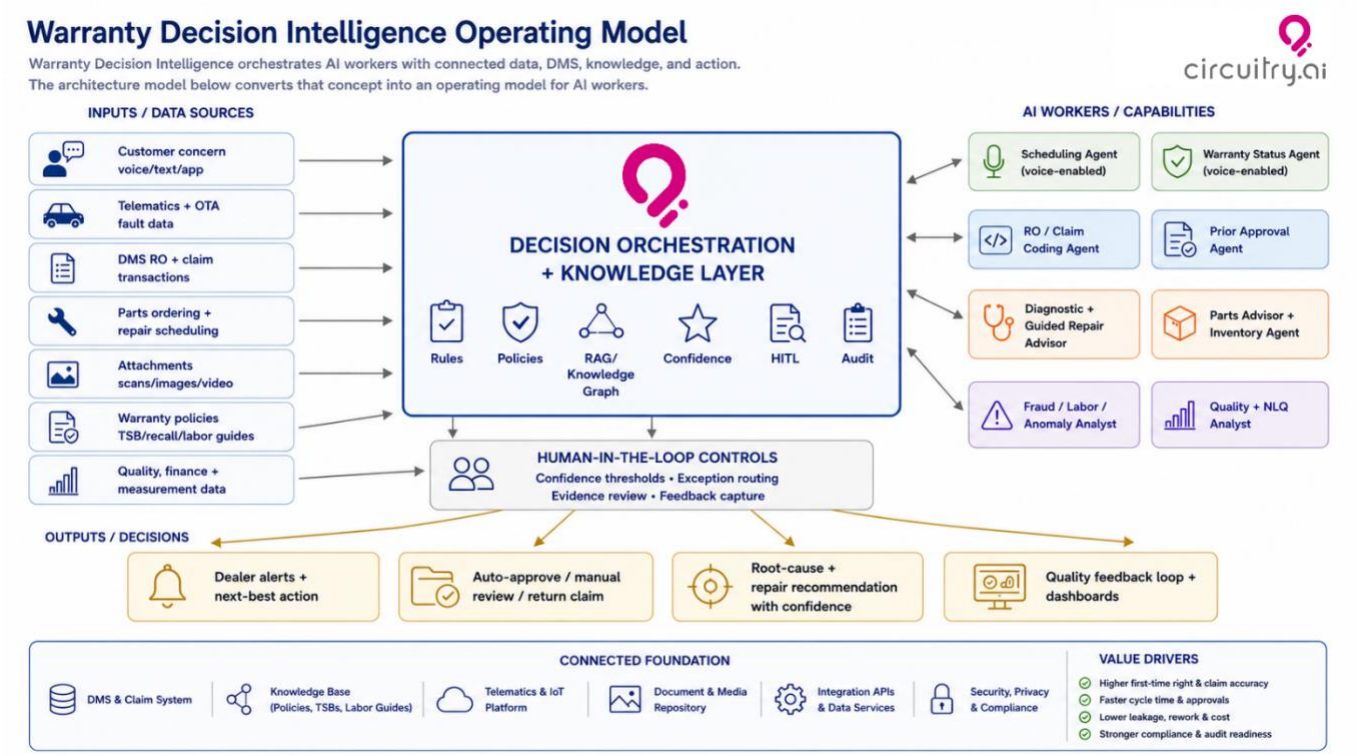
The warranty process can be simplified into a clear target process that shows where AI should assist, decide, or automate. The key principle is to capture warranty-quality evidence before the repair is closed and before the claim reaches adjudication.



Process stage	Description	AI role
1. Connected operation	Asset transmits data; customer app and OTA events are available.	Analyze telemetry, identify events that may require attention, link to warranty status.
2. Concern detected	Customer concern or diagnostic event initiates the service flow.	Capture concern via voice/text/app; classify symptoms; match to asset and coverage.
3. Schedule / RO created	Dealer schedules work and opens RO.	AI creates RO draft from concern + telematics; verifies warranty eligibility; prompts missing fields.
4. Diagnose and repair plan	Technician diagnoses root cause, parts, labor, and procedure.	AI recommends root cause with confidence, TSB/recall/procedure, parts, labor, and prior approval needs.
5. Parts + prior approval	Parts are acquired; PWA may be required.	Agentic PWA for clear cases; manual review only for exceptions; parts readiness and substitute recommendations.
6. Complete repair and claim	Dealer captures 3Cs, attachments, evidence, and submits claim.	AI validates attachments, reads scanned docs, codes claim fields, scores anomalies, flags labor/fraud issues.
7. Adjudication and feedback	OEM pays, returns, denies, audits, or requests part return.	Explainable decision trail, dealer coaching, quality/NTF feedback, finance reporting, and model feedback.

11. AI Workers and Architecture

Warranty Decision Intelligence orchestrates AI workers with connected data, DMS, knowledge, and action. The architecture model below converts that concept into an operating model for AI workers.



AI worker	Primary function	Where it fits
Scheduling Agent	Uses customer concern, connected data, dealer capacity, and parts availability to schedule repair.	Dealer / service operations
Warranty Status Agent	Voice-enabled inquiry agent for warranty status, coverage, claim status, and required evidence.	Dealer, call center, customer-facing support
RO / Claim Coding Agent	Reads RO, technician notes, scanned docs, and attachments; maps to claim fields, codes, labor, parts, and causal data.	Claim preparation and DMS/warranty system integration
Prior Approval Agent	Determines whether a repair needs PWA and supports instant approval, OTA-based approval, or exception routing.	Warranty operations
Diagnostic + Guided Repair Advisor	Recommends root cause, repair procedure, applicable TSB/recall, parts, and confidence level.	Technician support / hotline

Parts Advisor / Inventory Agent	Identifies correct parts and availability; links parts ordering to repair schedule and claim evidence.	Parts and service operations
Fraud / Labor / Anomaly Analyst	Scores labor time, parts, attachments, claim history, dealer patterns, and inconsistent evidence.	Claim review, audit, and dealer coaching
Quality + NLQ Analyst	Lets teams ask natural-language questions about warranty, repair, quality, dealer performance, and NTF patterns.	Quality, finance, leadership

12. From Claim Processing to Warranty Decision Intelligence

Warranty leaders have an opportunity to move beyond traditional claim processing and build a more intelligent operating model.

The Warranty Maturity Model

Stage 1 Reactive Manual Review	Stage 2 Standardized Process & Routing	Stage 3 Connected Data & Metrics	Stage 4 AI Decision Intelligence	Stage 5 Autonomous Warranty
Disconnected systems, tribal knowledge, reactive rework	Clear routing, decision points & exception management	Unified data, balanced KPIs & SLA discipline	AI scores, flags risk, recommends & surfaces evidence	Human-in-the-loop autonomy across the lifecycle

That model starts with better process design: clear routing, standard workflows, defined decision points, and disciplined exception management. It requires better metrics: not just volume and speed, but accuracy, consistency, rework, leakage, and dealer experience. It also requires the right sourcing model, whether in-house, outsourced, or hybrid.

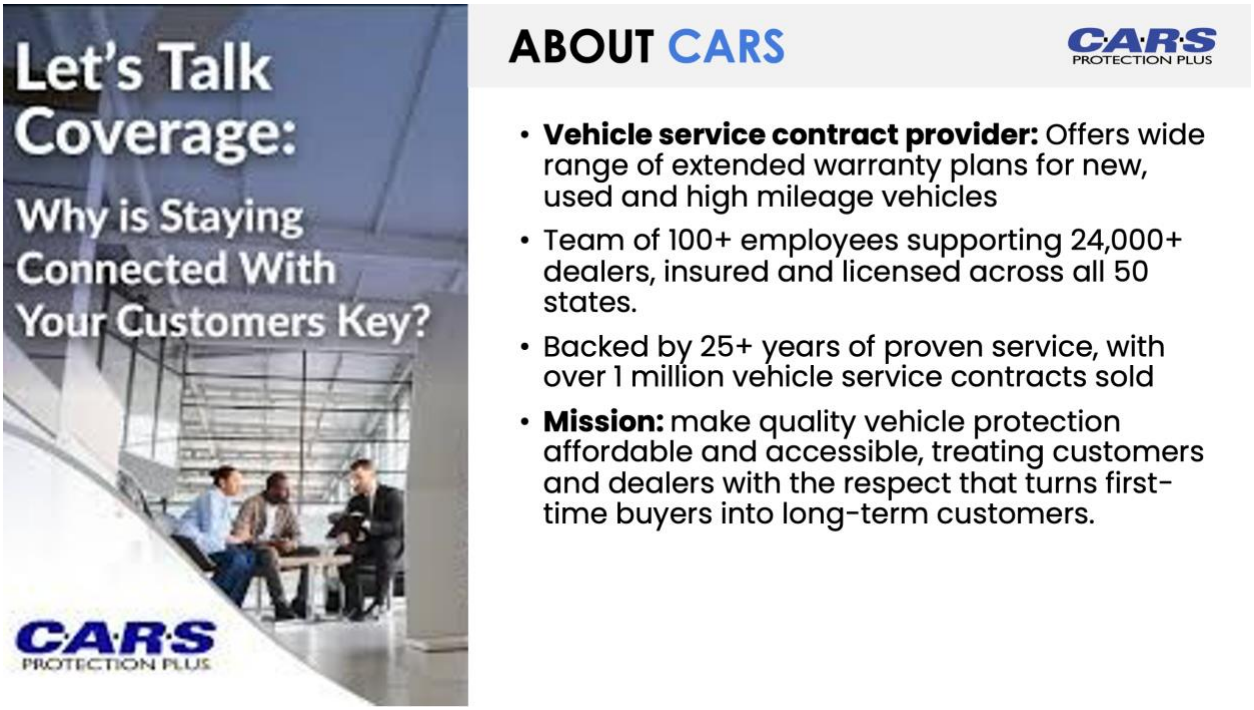
But the biggest opportunity is connecting claim assessment with upstream service quality. Better RO write-ups, better diagnosis, better repair guidance, and better technical help desk integration all reduce downstream claim problems.

Manual claim assessment will always be necessary for complex decisions. But it shouldn't be manual in the old sense of disconnected systems, inconsistent reviews, and reactive rework. Warranty teams can now combine human expertise with AI-powered decision intelligence to improve accuracy, consistency, and efficiency across the entire warranty lifecycle.

The organizations that make this shift won't only reduce claim cost. They will improve service quality, strengthen dealer relationships, protect margins, and deliver a better customer experience.

13. Customer Case Study: CARS Protection Plus

CARS Protection Plus is a vehicle service contract provider serving more than 24,000 active dealer agreements, with multiple product families and a repair network that includes thousands of independent shops.



After years of high double-digit growth, the complexity of their claims operation had outpaced what manual processes could reliably manage. Multiple contract variants, lender-specific rules, dealer-specific adjudication notes, and a rapidly expanding product portfolio meant that consistent, accurate claim handling was increasingly difficult to guarantee.

CARS Protection Plus deployed Circuitry.ai's Warranty Decision Intelligence on top of their existing warranty admin platform. Their claims team continues to work inside the same system they know, with automated claim scores and coverage guidance surfaced alongside their existing workflow in the browser itself.

Lance LaCoe, President and CEO of CARS Protection Plus, described what drove the decision: "We needed somebody to help us eliminate human error, speed up the process, and we needed something that was really going to help us manage the incredible scaling of

our business. We ultimately selected Circuitry.ai because they really fit everything that we were doing right now, but they also offered the best pathway for what we wanted to do in the future."

CARS Protection Plus targeted a 2–3% reduction in total claims spend in year one, a meaningful number when applied to tens of millions of dollars in annual claims. Lance noted they're on track to hit it: "We've already seen significant improvement in meeting our KPIs, making sure that we can comply with our service level that we provide out to our shops, but also just making sure that we're providing those timely answers to questions. Not only the shops but also the customers. So that value proposition and the customer experiences have improved significantly through Circuitry.ai."

To hear the full story of how CARS Protection Plus deployed Warranty Decision Intelligence, watch the on-demand webinar: MAPconnected webinar Smarter Warranty Decisions: How AI Drives Claims Accuracy & Reduces Costs

14. Transform Manual Claims Review into Autonomous Warranty with Circuitry.ai

Circuitry.ai is transforming manual claims review into Autonomous Warranty by combining AI-powered claim assessment, warranty policy intelligence, coverage validation, repair order analysis, claims history, and human-in-the-loop decision orchestration.

Instead of relying on disconnected systems, inconsistent reviews, and manual back-and-forth, warranty teams can use Circuitry.ai to score claims, identify missing evidence, recommend approve/deny/adjust/escalate actions, reduce leakage, and accelerate cycle times, while keeping experts in control for complex decisions.

Schedule a demo to see how Circuitry.ai can help your warranty organization improve accuracy, consistency, and efficiency while moving from manual claim review to intelligent, AI-powered warranty automation.