

CLIENT ALERT

Insurers and Industry Groups Launch New and Innovative Blockchain Initiatives

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Opportunities from blockchain applications continue to generate much attention, including in the mainstream media such as the *New York Times*. As previewed in our prior [alerts](#), insurers and reinsurers are moving from recognition and study of the advantages of blockchain, to business use of that technology. This week, insurers and industry groups have announced new and innovative blockchain initiatives.

- USAA and State Farm [announced](#) that automobile subrogation claims settled between the two companies would be processed using blockchain technology. The companies extensively tested a blockchain solution to automate the time-consuming and paper-heavy processing of subrogation claims, which is now in full production. According to the news release, this “blockchain solution [for subrogation claims] is the first of its kind between the insurance industry leaders.” Utilizing blockchain in these carrier-to-carrier claim payments moves towards automation of the process, and saves time and money for the insurers and their customers. USAA and State Farm are actively seeking more carriers to join in this subrogation blockchain solution in 2021.
- The Blockchain Insurance Industry Initiative (B3i) and Eurapco [announced](#) the launch of Eurapco Unity, a global risk transfer operational solution developed on blockchain infrastructure. As our recent [alert](#) describing Thai Re’s launch of “Insurer Network” noted, B3i is an international industry blockchain technology consortium that is owned by 21 major insurers and involves more than 40 companies as shareholders, customers, and community members. Eurapco is a strategic alliance of 8 primarily mutual European insurers. In December, Eurapco, together with its Partners, Achmea, La Mobilière, Reale Group, and B3i, delivered a version of Eurapco Unity enabling the transfer of facultative risks in a network of companies in marine insurance. Eurapco selected marine insurance and reinsurance as the first business line to use this system, having identified it as an area where blockchain can bring concrete benefits by increasing transparency and security, while significantly reducing administrative effort and costs.

2021 continues to bring exciting news on the blockchain front. Crowell & Moring stands ready to help clients understand the most promising uses of blockchain, whether they are developers and vendors seeking to capture new opportunities, or companies and end users that are considering joining or deploying blockchain networks.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

Laura Foggan

Partner – Washington, D.C.

Phone: +1 202.624.2774

Email: lfoggan@crowell.com

Kelly H. Tsai

Senior Counsel – New York

Phone: +1 212.803.4069

Email: ktsai@crowell.com