

## SYNOPSIS

### **Life Insurance Underwriting in the New World** *Elizabeth Baker, Nia Reen and Meera Sardana*

**Key words:** Life insurance, product underwriting, customer outcomes

**Purpose of your paper:** The purpose of the presentation is to discuss redesigning traditional forms of underwriting for Life Insurance business.

**Synopsis:** The focus of underwriting functions and processes of Australian Life Insurers has mainly been the rating of risks of more complex Retail policies with larger sums insured.

There are a number of challenges for underwriting in the current environment as many customers want a simple application process, there are increasing levels of claims and associated anti-selection, changing product definitions and benefit design features and an increasing requirement to be able to provide cover for all (as a result of antidiscrimination challenges).

This presentation will look at how using behavioural analytics can enhance the underwriting process whilst reducing costs and assist the pricing process for Direct products and voluntary cover on Group insurance.

Areas for discussion in the presentation include:

1. The current state of underwriting by Australian Life Insurers.
2. The gaps in current underwriting practices under the changing market landscape.
3. The options for redesigning underwriting (including for short form underwriting and personal statements) to achieve better rating of risks and better customer outcomes.