



SOCIETY OF
ACTUARIES®

2019 ANNUAL
MEETING
& EXHIBIT

October 27-30
Toronto, Canada

Session 133: Millennial Maven: Insurtechs for the Future

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[SOA Presentation Disclaimer](#)

Session 133

Millennial Maven: Insurtechs for the Future

Oct. 29, 2019

Moderator: Chris Shanahan

Presenters: Jamie Hale, Matthew Loper,
Mark Scafaro, Jane Wang



**SOCIETY OF
ACTUARIES**

SOCIETY OF ACTUARIES

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Jamie Hale, CEO and Co-Founder

Our mission

To fund the resilience of families and communities
by closing the life insurance gap for 50 million families.



Our story is personal



Solve the Customer Problem



Expensive



Unpleasant



Complicated

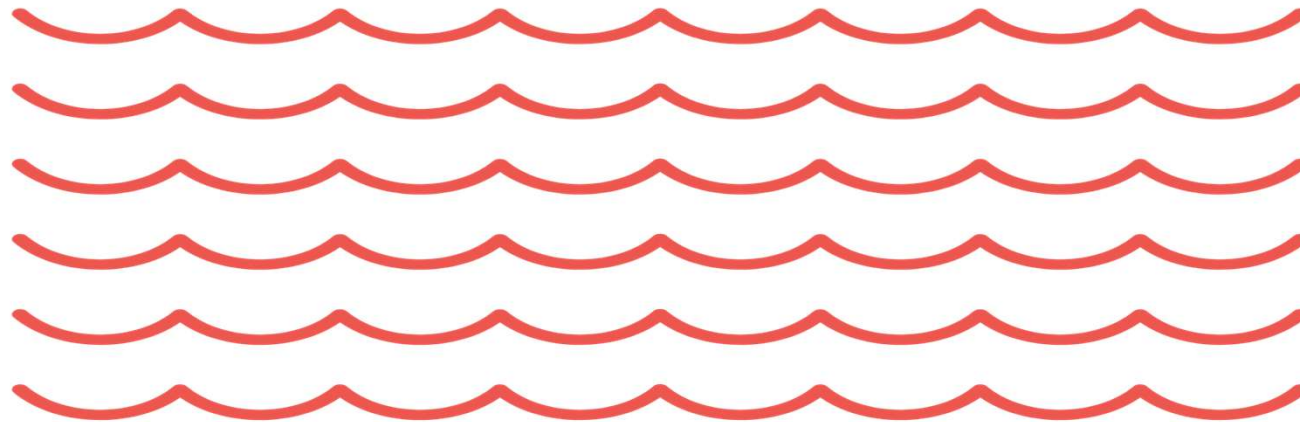


Slow

Product



What the user sees and experiences



What's under the water line



 Average adult attention span

8

seconds



People are busy

60%

outside business hours



Ladder customers are happy

84

NPS



Optimity

Consumers are More Health-Conscious than Ever!

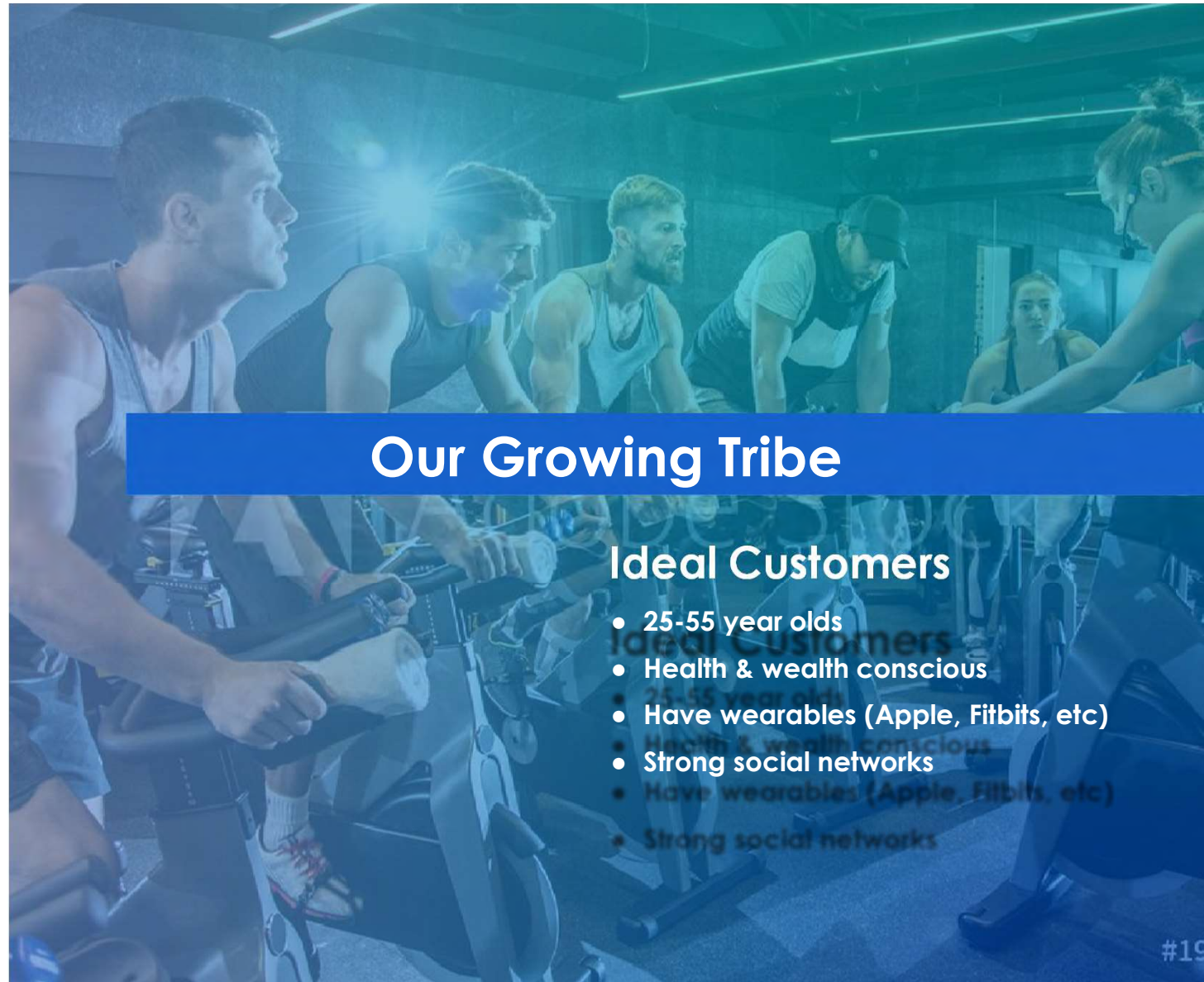
94%

of consumers in 2018 reported making personal health & financial improvement commitments.

\$4.2T

Wellness Industry

Optimity www.optimity.life



Our Growing Tribe

Ideal Customers

- 25-55 year olds
- Health & wealth conscious
- Have wearables (Apple, Fitbits, etc)
- Strong social networks

Insurance Companies Need to Digitally Engage with Today's Consumers

Insurance Carriers & Agents

- Keep customers healthy
- Protect families
- Leverage new tech to improve profits
- Acquire customers
- Stay engaged & cross-sell/up-sell



Ideal Consumers

- Health- & money-conscious
- Care about quality of life
- Have young families
- Use mobile apps
- Strong social networks

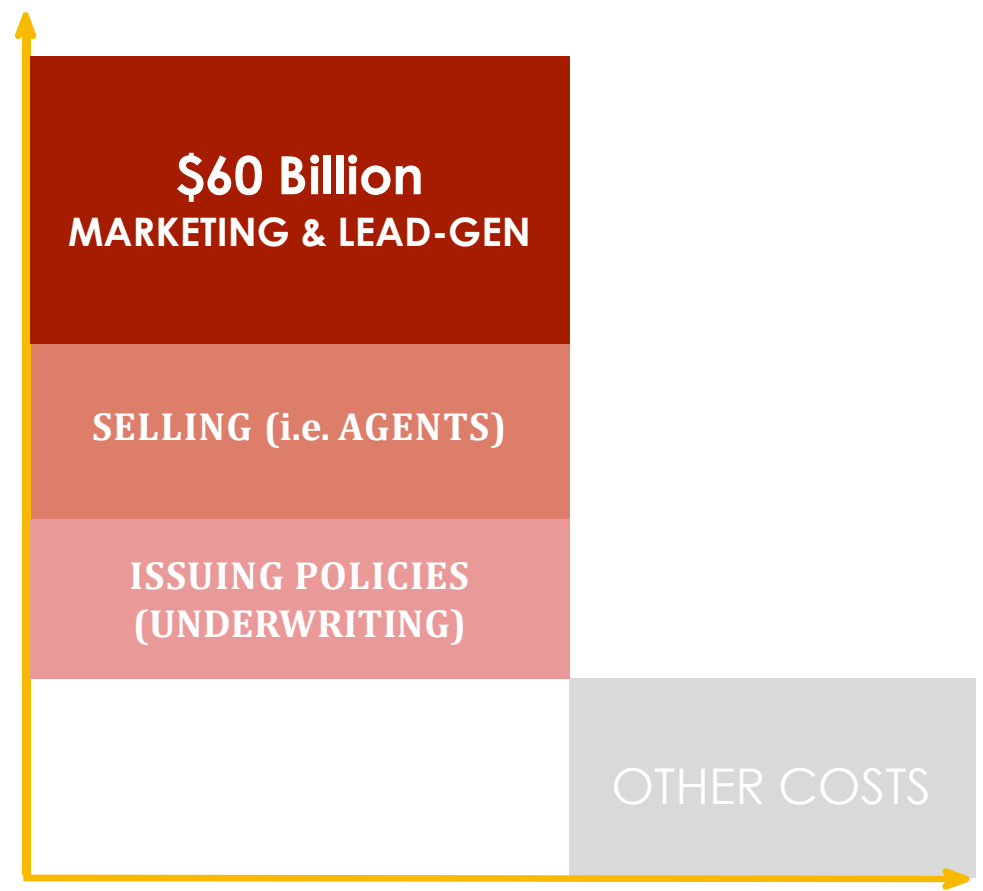




Selling Insurance is Very Expensive

**~70% of total cost
of life insurance
is spent on
acquisition**

An Economic Analysis of Life Insurance Expenses



Billions of \$ Are Spent On Fatigued Marketing Channels



94%
skip TV ads



63%
ignore internet
ads



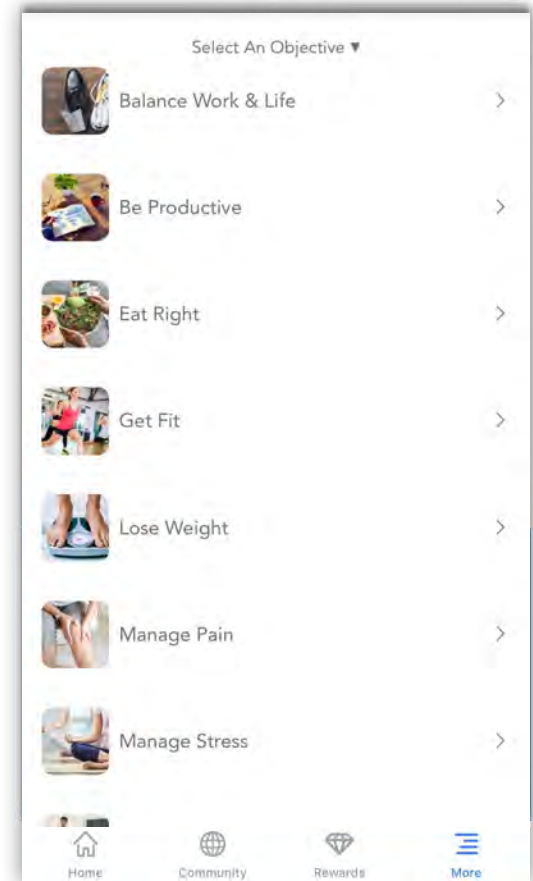
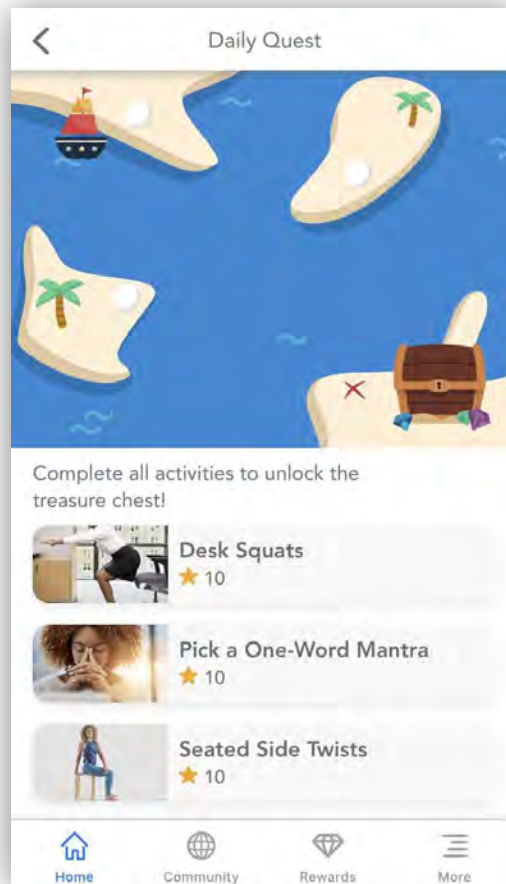
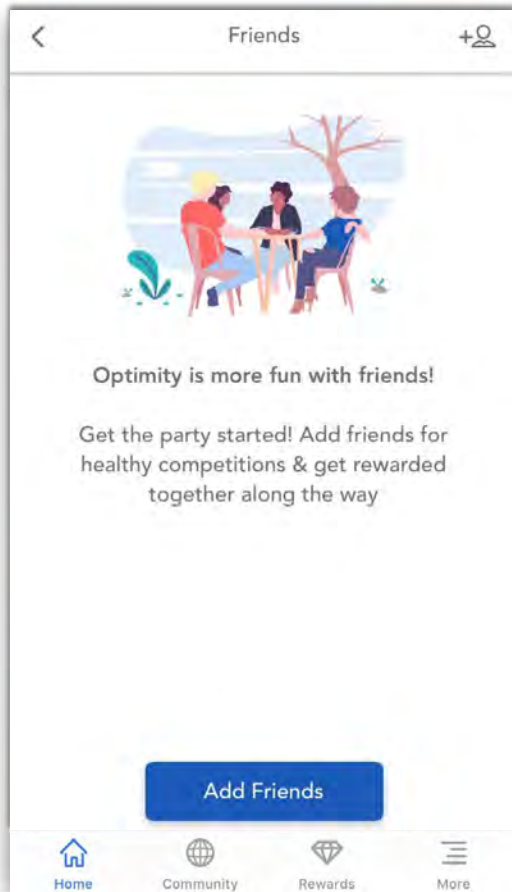
50%
are on do-not-call lists
(over 200M)



Optimity www.optimity.life

Affinity-based Customer Engagement & Acquisition Platform

Stay Happy, Have Fun, Live Well Together



Key Unique Data are Continuously Updated in Optimity



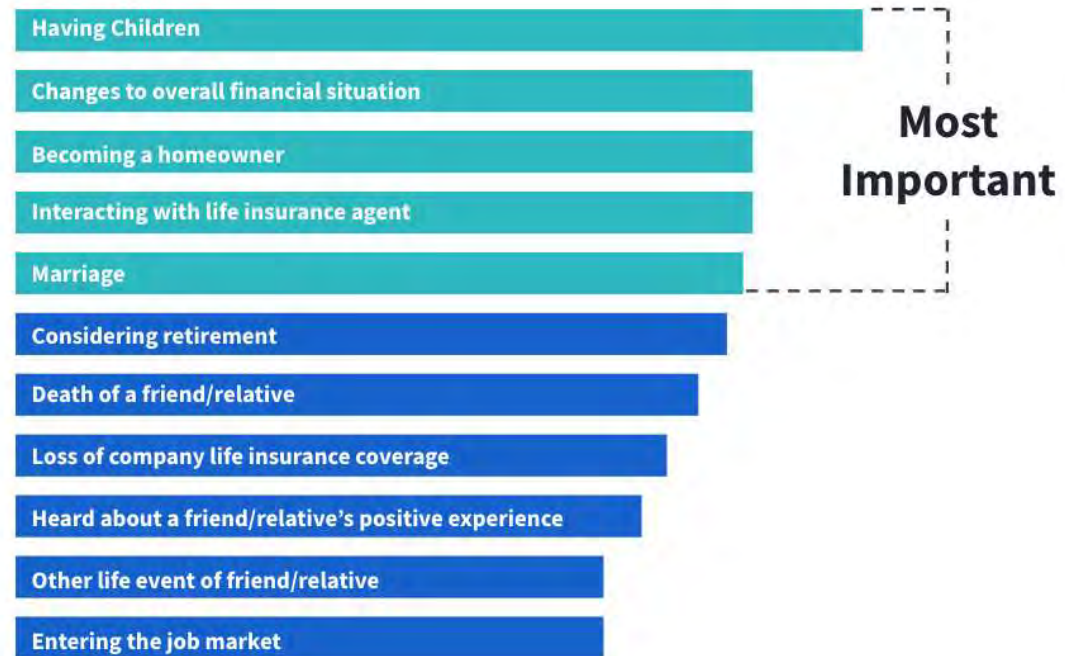
- Financial Wellness Assessment
- Health Risk Assessment
- Nutrition, Food Photos, Calories
- Workout Journal
- Personality
- Daily Micro-activities
- Challenges
- Personal Goals
- ... and more

Enriched Insights

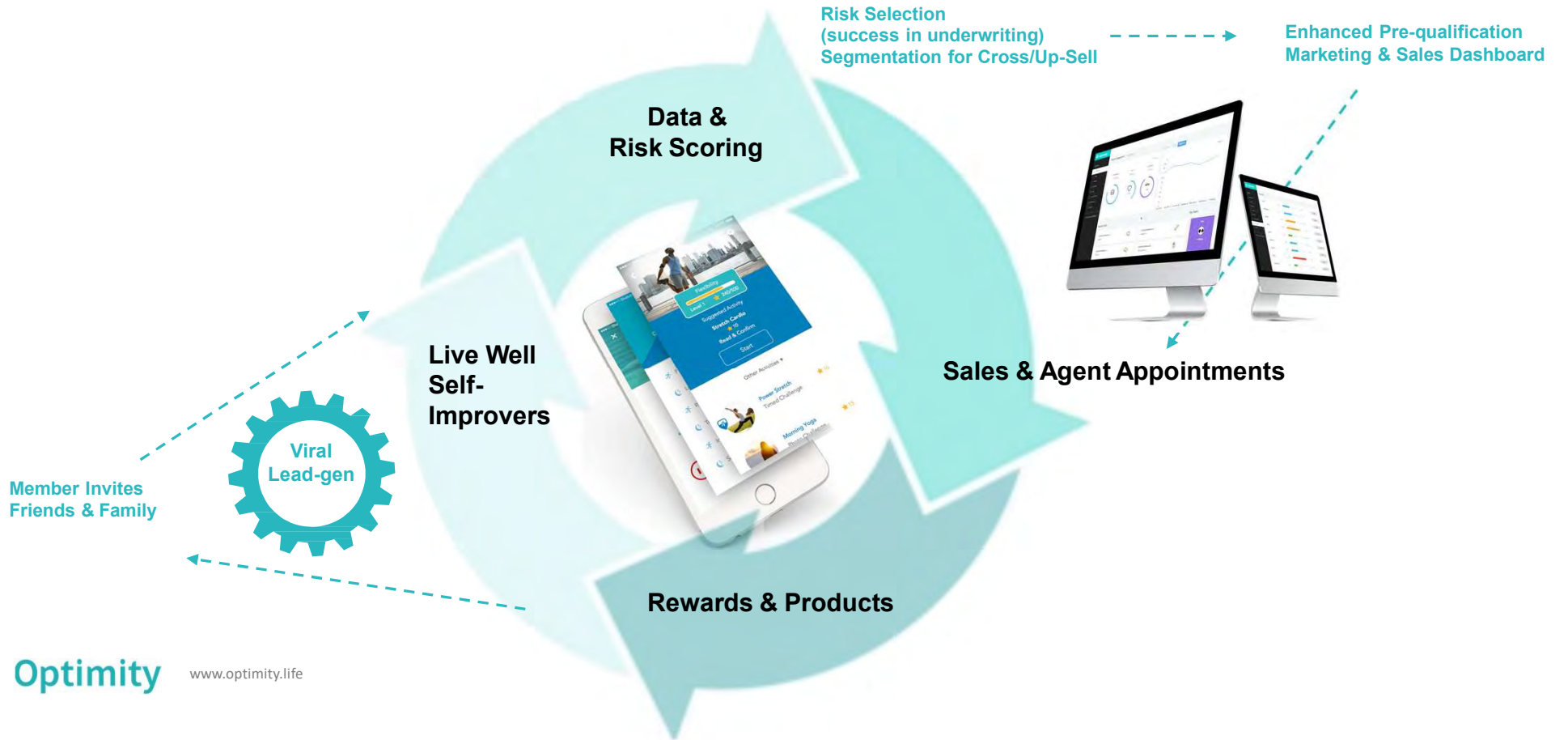


Collecting life-event and life-goal data

Optimium continuously provides **trusted trigger data** on each user while performing organic lead-gen, nurturing warm leads, automating pre-qualifications.



How It Works (Flywheel)

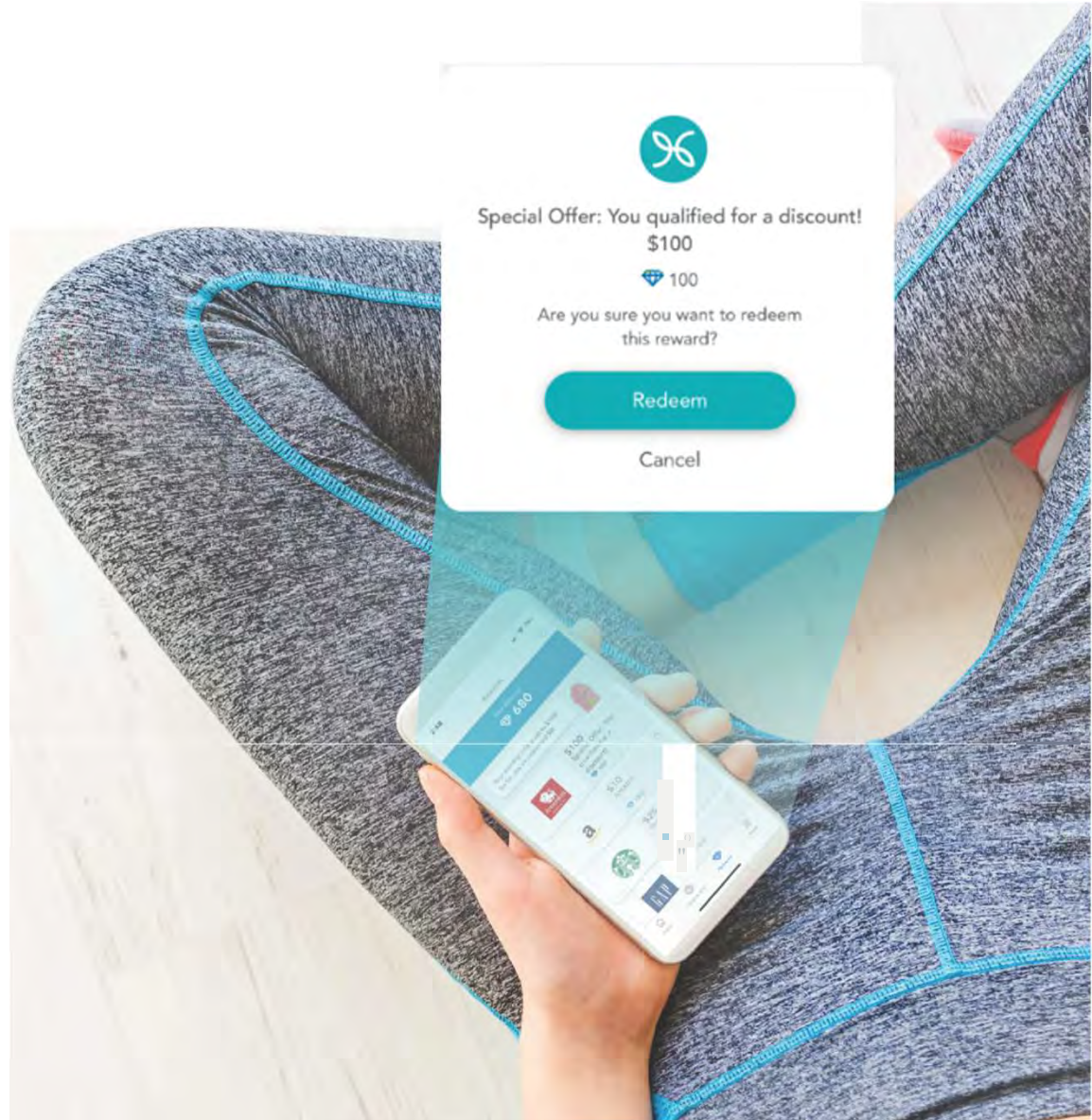




We help insurance companies *maximize the life-time-value* of their customers.

We build software solutions that empower insurance providers to utilize longitudinal data to service their customers better by offering them the most relevant policies in an authentic and cost-effective way.

Optimium www.optimium.life



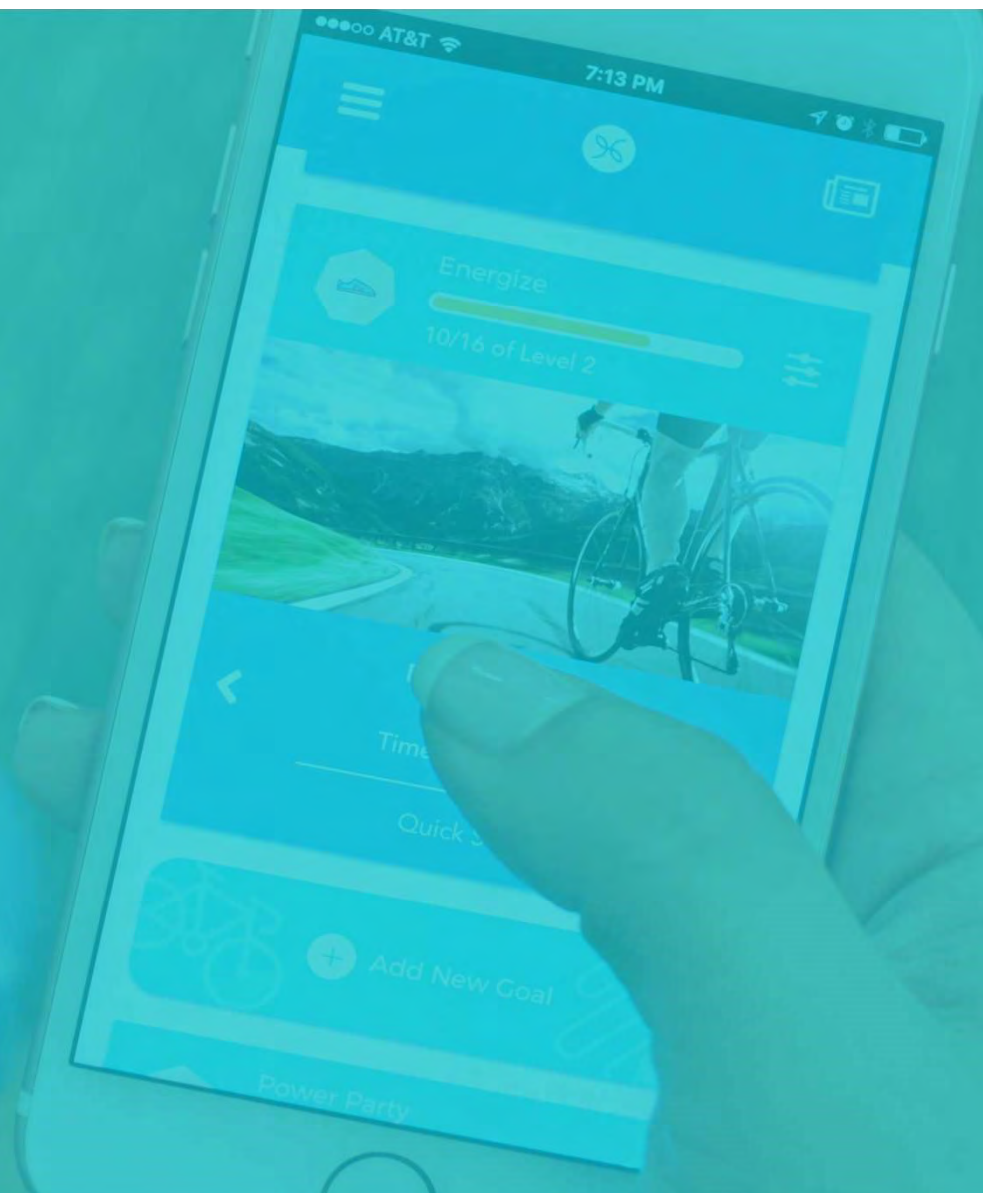


Live. Work. Play.
with Optimity

Jane Wang, CEO

jwang@optimity.life

www.optimity.life





Afficiency

Afficiency has created a digital life insurance **platform** that provides tailored life product for digital distributors

CARRIERS

Carrier 1

Carrier 2

Carrier 3

Afficiency

We manufacture new digital product

We serve product on our full value chain platform

We white label this to carriers

DIGITAL DISTRIBUTORS

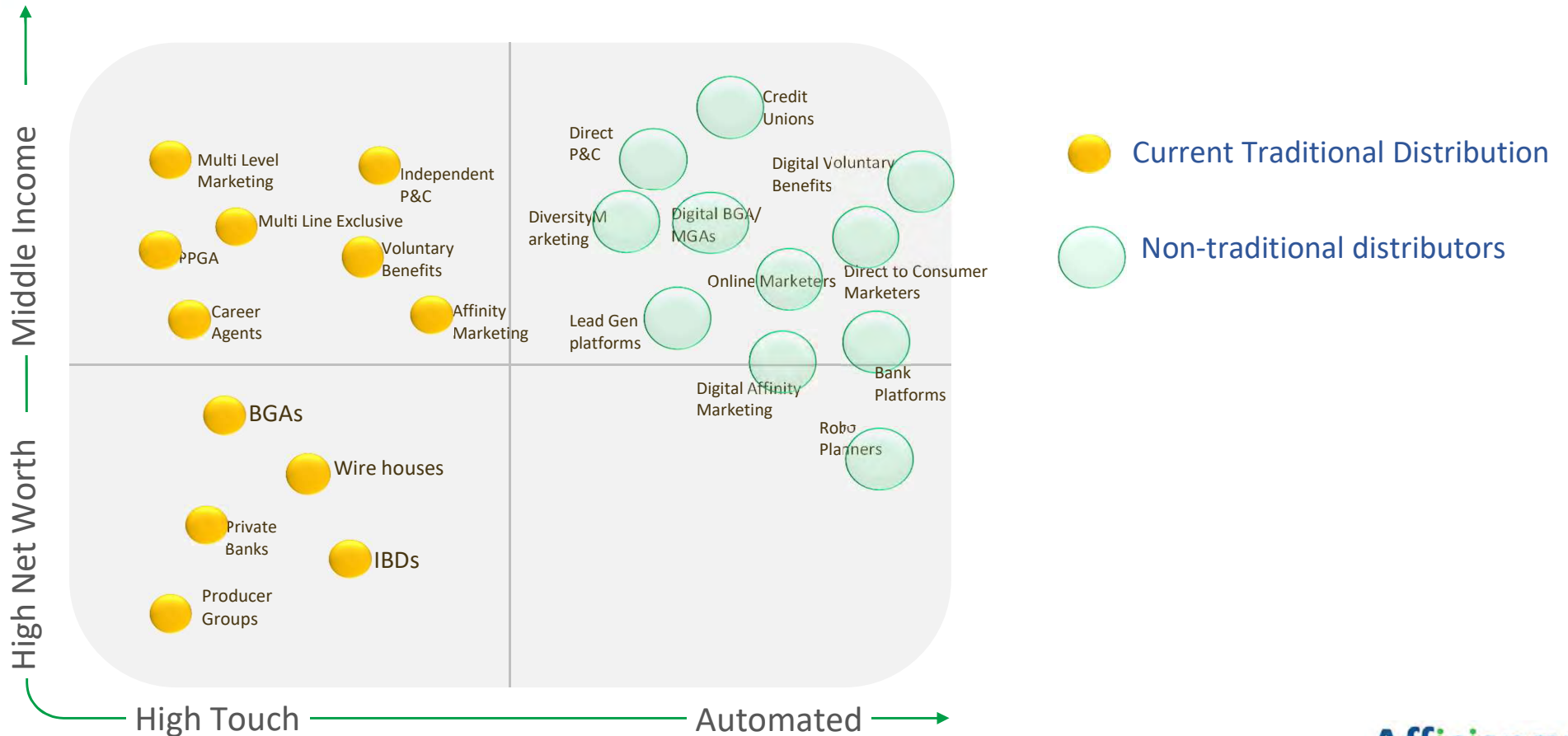
Employee benefit platforms

Direct to consumer platforms

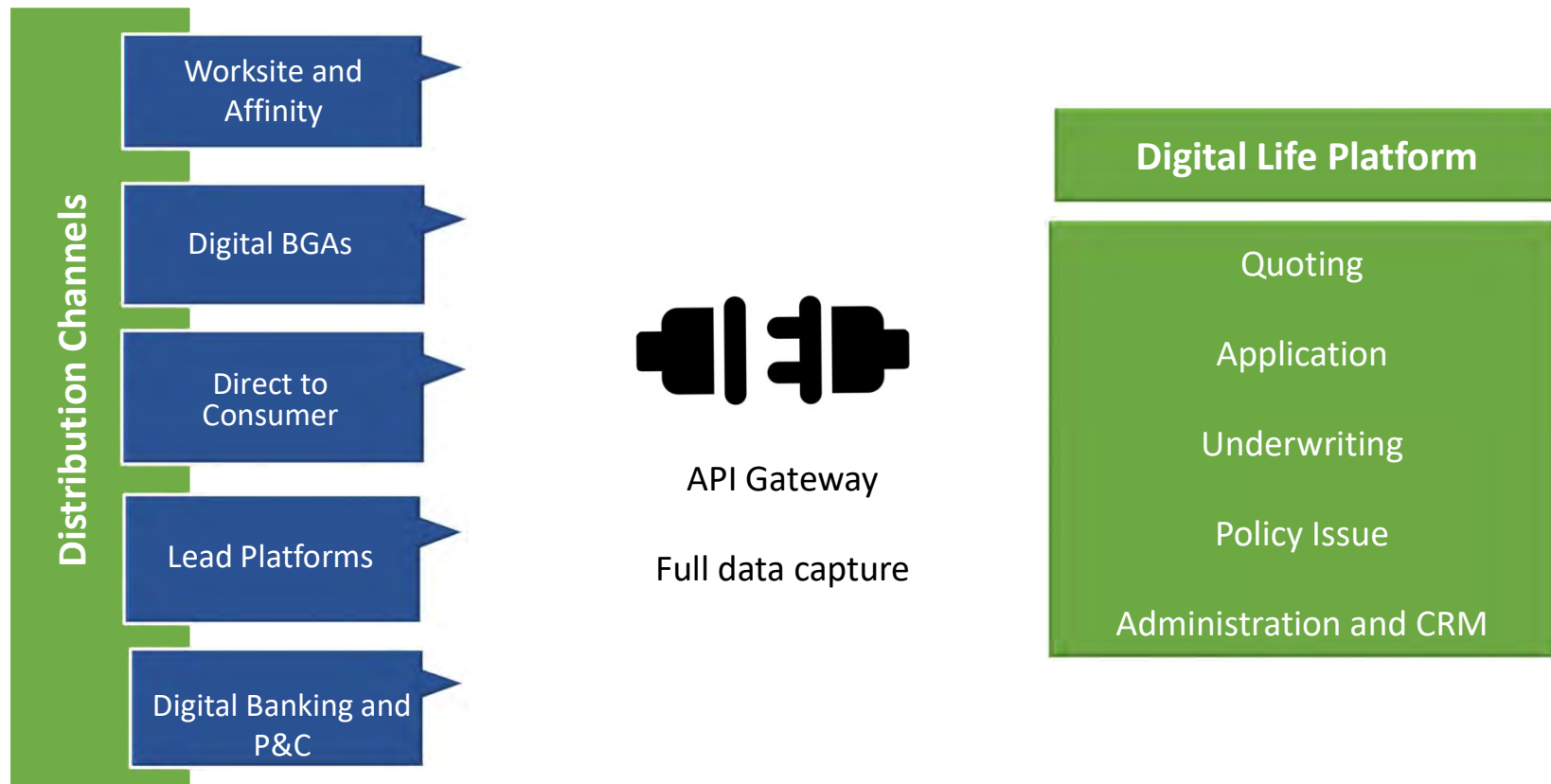
Bank and P&C X-sell

Others ...

By making the sale of life insurance more **transactional** many new distribution opportunities emerge



Digital distributors seek “plug-in” insurance product



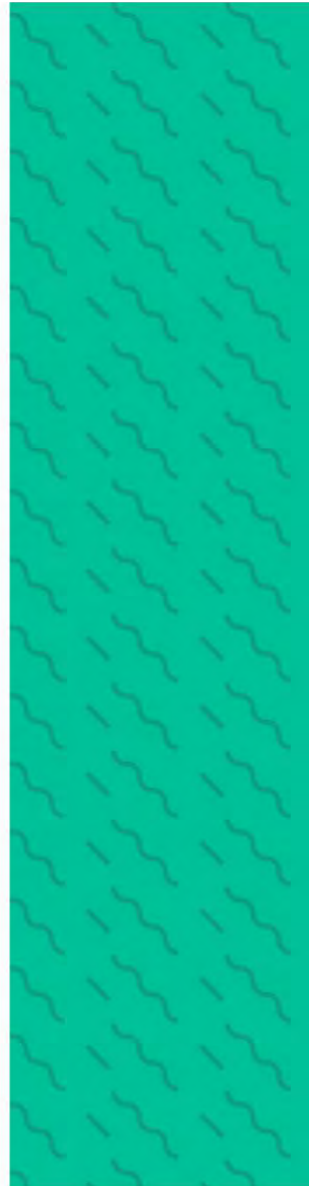
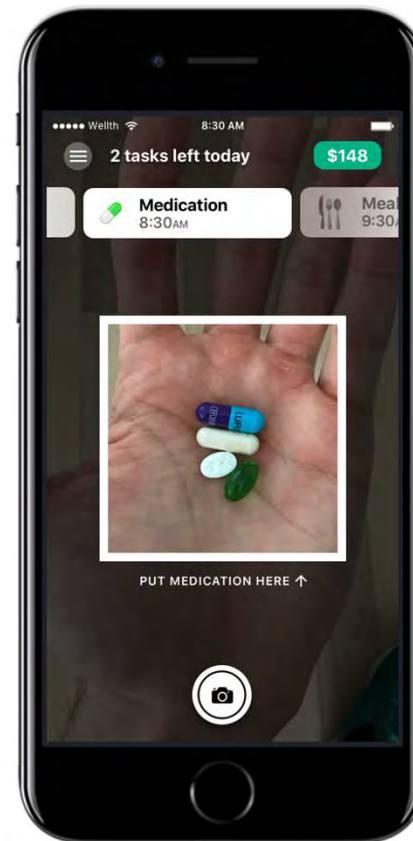
...Which challenges the traditional product design process





Use Behavioral Economics to Improve Chronic Disease Outcomes

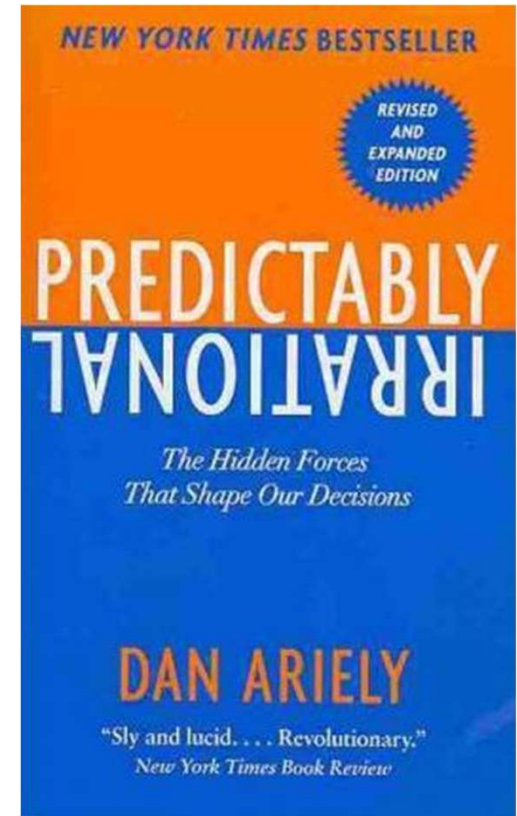
Matt Loper
CEO and Co-Founder
matt@wellthapp.com



Scalable behavior change will redefine insurance

People don't make rational choices, which results in premature morbidity and mortality

- Behavioral Economics married to scalable technology provides the toolkit to change client behaviors
- If you can change behaviors, you change outcomes
- If you change outcomes, you change insurance



Wellth uses behavioral economics to improve Morbidity and Mortality Risk

Morbidity

Mortality

Healthcare Providers

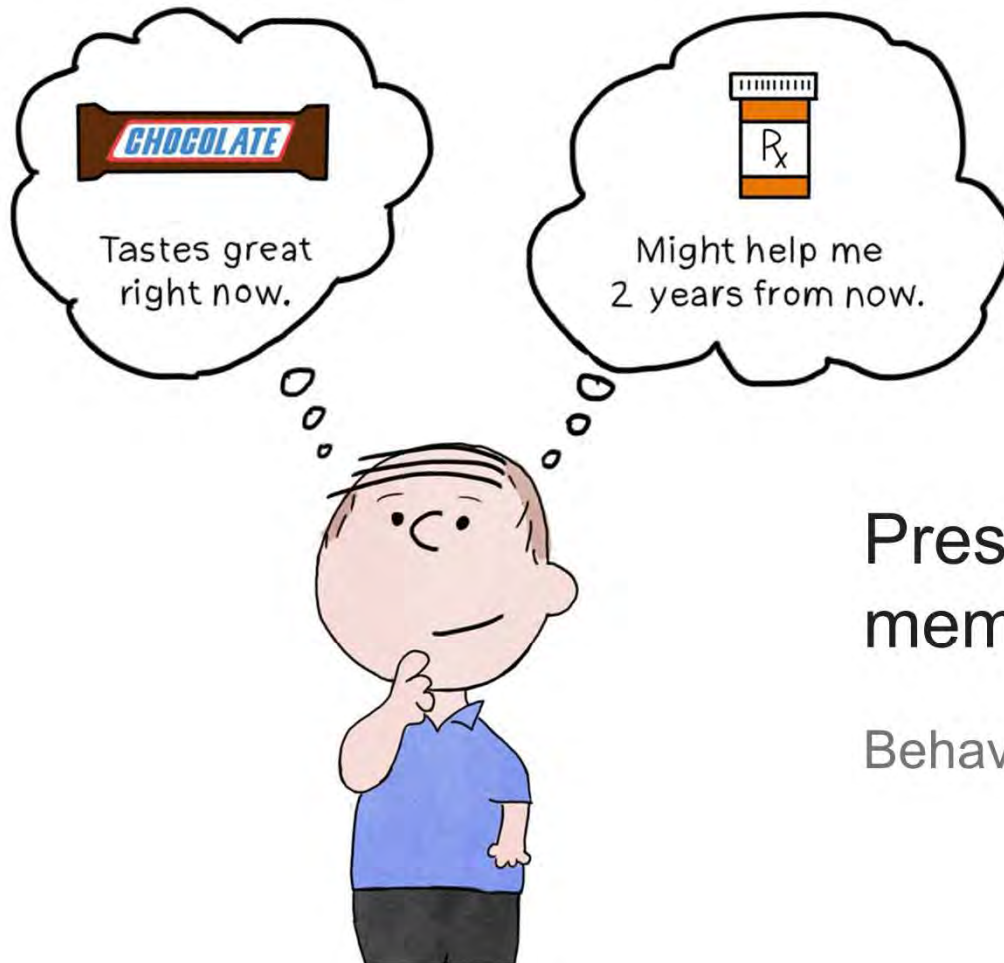
Health Insurers

LTC & Disability

Life Insurers



In order to change behaviors, you need a better understanding of what motivates it



Present Bias is the reason why members are not compliant.

Behavior is motivated by instant gratification.

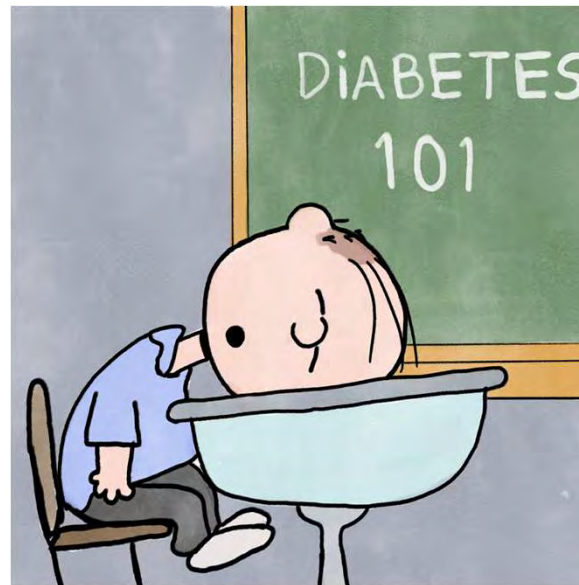
...but previous solutions don't provide the instant gratification that is necessary to overcome **Present Bias**.

Reminders



Reminders just become a nuisance over time

Education



Patients already know they should take their meds.

Connected devices

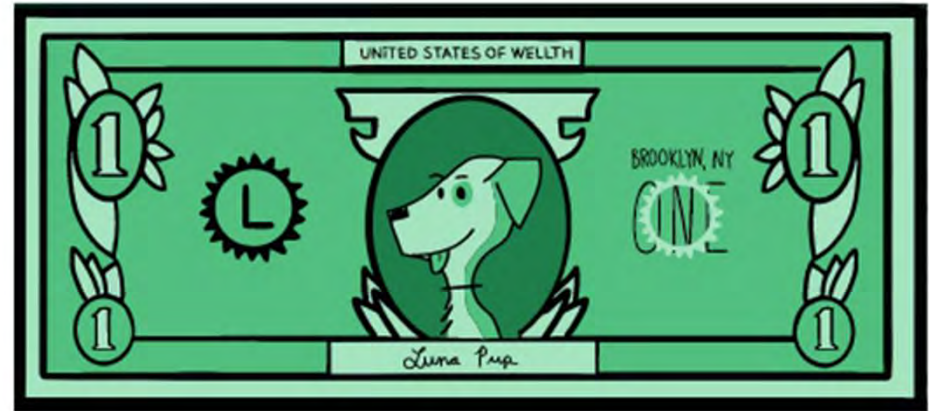


Devices measure adherence but do not improve it.

Paying patients when they take their pills
does overcome **Present Bias**.



=



Case Study: Poorly Controlled Diabetics



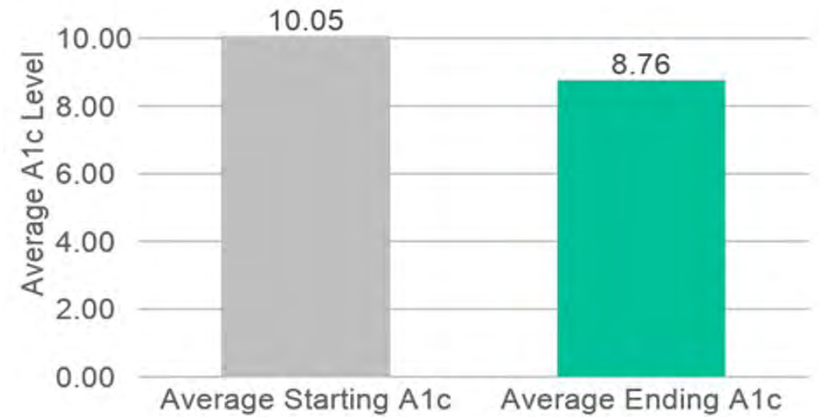
85%

Average Daily Adherence
with Wellth

-1.29

Average A1c Reduction
with Wellth

Average Change in A1c
After Wellth Program



Wellth enables Life Insurers to capture new and underserved markets

STATUS QUO

Risk of adverse selection
in pricing chronic disease
products

GROWTH OPPORTUNITY



Dynamically priced
products based on
daily behaviors

Millennial Maven: Panel Discussion

