



SOCIETY OF ACTUARIES

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# Underwriting Issues and Innovation

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For the past two years, underwriters and actuaries have been getting together for a unique and interactive seminar sponsored by the SOA and the Product Development Section. This seminar offers a special opportunity for underwriters and actuaries to learn about and discuss topics related to current and new underwriting techniques and tools. Feedback from the seminar has been very positive and powerful. At the first seminar, we received comments (even during the seminar!) from attendees that this was the best seminar they ever attended. We believe this was due to the cutting edge material and the opportunity to collaborate between underwriters and actuaries in the unique seminar format.

The original format for this seminar was to bring in a number of providers of various underwriting tools (and put them on a panel) to describe the benefits and appeal of their offerings. Attendees were able to compare and contrast the offerings in one easy setting by asking questions on the panel. The seminar evolved in its second year to bringing in the users of these products. Attendees had the opportunity to interact and share their personal experiences and the impact on their business. This year we are focusing on the hottest underwriting topics and latest advances, while continuing to provide opportunities for collaboration between actuaries and underwriters. Our goal is to keep evolving the seminar so it is always exciting, unique, and cutting edge.

The third seminar will take place **August 2-4, 2015** at the Westin O'Hare Hotel in Rosemont, Illinois. If you haven't attended this seminar before, you might want to read on about the topics that have been covered in the last two years and what is in store for this year. Find out more about the 2015 Underwriting Issues and Innovation Seminar at <https://www.soa.org/underwritingseminar/>.

## Past Seminar Highlights

Predictive modeling and data analytics are on the mouths and minds of most people working in any industry. If you

aren't asking the question "How can I use data to predict a result or improve my process?" a competitor certainly is. Predictive modeling and big data are not new to insurance, but what is new is how they are being leveraged in the life insurance space. Models are being developed to be used before, during and after the underwriting process in ways such as identifying adverse mortality, the impact of wellness data, cross-selling and upselling, and persistency. The first seminar included a lively debate amongst the laboratory vendors on their scoring tools. Predictive modeling has been a staple of the last two seminars and will be included again in this year's seminar.

Simplified Issue has been a hot topic for many companies. This seminar has explored how having a preferred class is possible when leveraging build, smoking status, MVR, prescription histories, tele-interviews, and other data. A number of people now believe it is only a matter of time before data replaces a blood draw and rates may be equal to those of standard fully underwritten classes. Possible or probable? You can join in the debate at this seminar as well as learn about the latest versions of accelerated underwriting and simplified issue.

Last year, we heard multiple speakers discuss their vision of the future on topics such as regulation, distribution, product innovation, technology, genetics, health, mortality, and underwriting. We also divided the attendees into groups to try to solve several real life fraud cases.

## Topics for 2015

While we won't be pitting the actuarial family against the underwriting family in another game of Family Feud, we promise plenty of excitement and learning at the seminar this August. The planning committee strives to change the seminar each year to add fresh content and learning formats. On the docket this year are the following topics:

- Future Technology
- Wellness
- Fraud



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- Preferred Underwriting—What if we started with a clean sheet?
  - Protection Gap
  - Accelerated Underwriting and the New Simplified Issue
  - Why is communication between actuaries and underwriters important?
  - Latest on practical uses of Big Data and Predictive Analytics
  - Trends in Causes of Death
  - Buzz Groups on a variety of topics
- Closing potpourri session to include topics such as genetics, infectious disease, e-cigarettes, marijuana, opioid use and abuse, and prescription histories
- You will hear from actuaries, underwriters, medical directors and a CEO. We hope you are able to join us for this exciting seminar and also potentially earn valuable CPD credits. The seminar has attracted international attendees and disciplines besides underwriters and actuaries. The Product Development Section encourages all to attend to find out why we keep hearing “This is the best seminar I have ever attended!” □

## On the Research Front

Large data sets can be used for modeling and data analysis techniques to discover predictive patterns and relationships for businesses. The Society of Actuaries developed an article collection on the ways actuaries are applying predictive modeling techniques. The collection highlights tangible examples of predictive analytics within life and health fields. Access the essay collection at <http://www.soa.org/News-and-Publications/Publications/Essays/2015-predictive-analytics.aspx> visit SOA's research page (<https://www.soa.org/Research/Research-At-A-Glance.aspx>) to watch a summary video on some of the essays. □