Accelerated Underwriting: the New Normal?

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Active participation in the Society of Actuaries is an important aspect of membership. While the positive contributions of professional societies and associations are well-recognized and encouraged, association activities are vulnerable to close antitrust scrutiny. By their very nature, associations bring together industry competitors and other market participants.

The United States antitrust laws aim to protect consumers by preserving the free economy and prohibiting anti-competitive business practices; they promote competition. There are both state and federal antitrust laws, although state antitrust laws closely follow federal law. The Sherman Act, is the primary U.S. antitrust law pertaining to association activities. The Sherman Act prohibits every contract, combination or conspiracy that places an unreasonable restraint on trade. There are, however, some activities that are illegal under all circumstances, such as price fixing, market allocation and collusive bidding.

There is no safe harbor under the antitrust law for professional association activities. Therefore, association meeting participants should refrain from discussing any activity that could potentially be construed as having an anti-competitive effect. Discussions relating to product or service pricing, market allocations, membership restrictions, product standardization or other conditions on trade could arguably be perceived as a restraint on trade and may expose the SOA and its members to antitrust enforcement procedures.

While participating in all SOA in person meetings, webinars, teleconferences or side discussions, you should avoid discussing competitively sensitive information with competitors and follow these guidelines:

- **Do not** discuss prices for services or products or anything else that might affect prices
- **Do not** discuss what you or other entities plan to do in a particular geographic or product markets or with particular customers.
- **Do not** speak on behalf of the SOA or any of its committees unless specifically authorized to do so.
- **Do** leave a meeting where any anticompetitive pricing or market allocation discussion occurs.
- **Do** alert SOA staff and/or legal counsel to any concerning discussions
- **Do** consult with legal counsel before raising any matter or making a statement that may involve competitively sensitive information.

Adherence to these guidelines involves not only avoidance of antitrust violations, but avoidance of behavior which might be so construed. These guidelines only provide an overview of prohibited activities. SOA legal counsel reviews meeting agenda and materials as deemed appropriate and any discussion that departs from the formal agenda should be scrutinized carefully. Antitrust compliance is everyone’s responsibility; however, please seek legal counsel if you have any questions or concerns.
Presentation Disclaimer

Presentations are intended for educational purposes only and do not replace independent professional judgment. Statements of fact and opinions expressed are those of the participants individually and, unless expressly stated to the contrary, are not the opinion or position of RGA, Sammons Financial Group, John Hancock, Milliman IntelliScript, the Society of Actuaries, its cosponsors or its committees. RGA, Sammons Financial Group, John Hancock, Milliman IntelliScript, and the Society of Actuaries do not endorse or approve, and assume no responsibility for, the content, accuracy or completeness of the information presented. Attendees should note that the sessions are audio-recorded and may be published in various media, including print, audio and video formats without further notice.
How has your role been impacted by Accelerated Underwriting?
There are many “AUs”. What are their definitions and distinctions?
What changes to Acc UW have you seen recently? Are these temporary or permanent?
Many carriers have introduced underwriting changes during COVID. Are these temporary, or do they point to the future state of underwriting?
Has COVID pulled the horizon closer for evidences that were “just over the horizon”? What limitations still hinder progress?
How has Acc UW impacted traditional distribution? Has COVID changed this – temporarily or permanently?
What should companies consider before moving into DTC? Can the core product and underwriting be used "as is"?
What are best practices for monitoring Acc UW? Can (and should) these be used for Alt UW?
Many Acc UW programs make use of predictive models. What should companies be thinking about in terms of model management after initial implementation?
What have you learned so far from accelerated underwriting programs that have now built up several years of experience?
Audience Questions