

3rd Conference Hellenic Actuarial Society

November 3rd, 2023

Evolve **beyond**

Digital Landscape is changing rapidly

Taking a proactive stance to plan and implement a digital strategy is now essential to unlocking the full potential of insurance companies' data assets



Future ready landscape, analytical competencies

Market dynamics and consumer preferences are changing



Understanding gaps in the systems landscape

Challenges of dealing with outdated and complex legacy systems are often responsible for operational inefficiencies

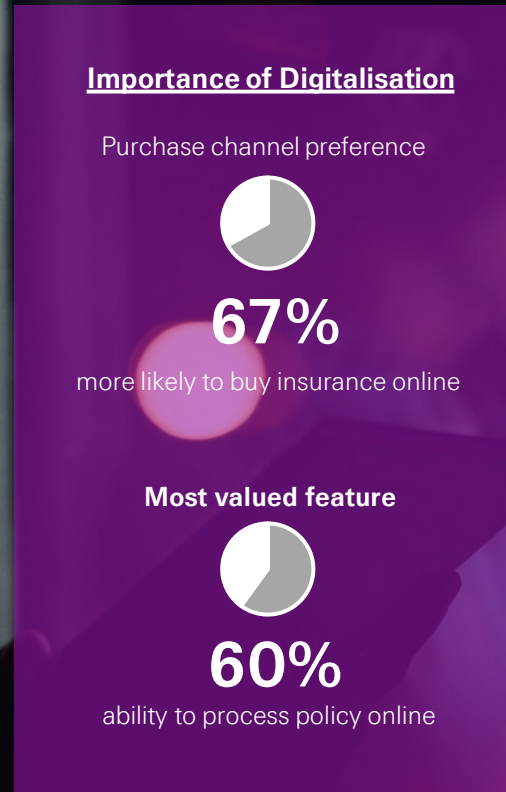


Culture challenges and change management are fueling the next

Swiftly adapt and respond to the changing digital landscape with propositions and tools to remain competitive

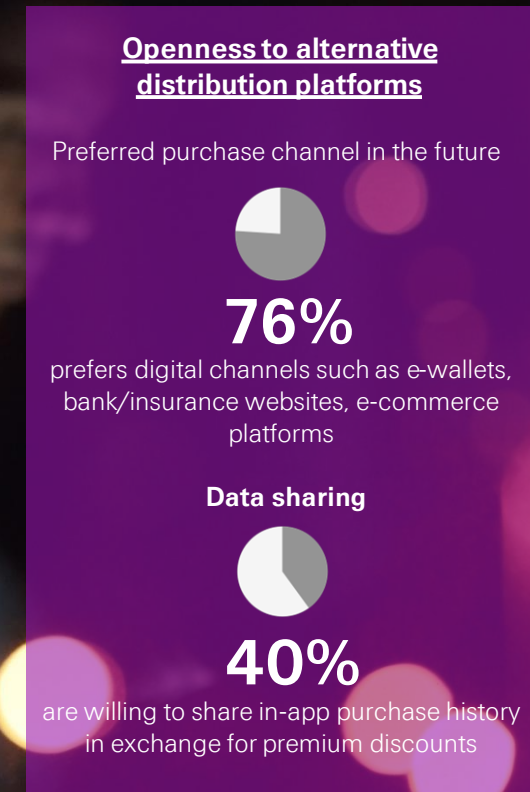
Market dynamics and consumer preferences are changing.

Consumer behavior has changed since Covid-19



Source: Covid-19 APAC consumer survey 2020

Purchasing insurance through Digital Platforms



Source: Digital insurance solutions consumer survey 2020

Digital is transforming the insurance industry

Technological shift and behavioural shift driving the digital transformation, building new capabilities and innovations.



Significant improvements of analytical capabilities

- Risk and portfolio insight
- Claims outlier detection
- Cost containment



Substantial increase in computational power

- Streamline UW with predictive model
- Personalized pricing
- Data driven propensity to bind – lapse & retention



Rapid change in consumer behavior

- Contracts Digital Transformation
- Lifestyle & wellness



However, without good strategy, 70%* of digital transformations will fail

Navigating the Digital Transformation

Common challenges faced by insurance industry

Addressing the Gaps

Legacy System with limited data capture

Complex and outdated legacy system with manual data capture is often responsible for operational inefficiencies

Prioritization & pragmatism of solutions

Unsure about technology / solution to implement and unable to scale the solutions they pick.

Investment Allocation

Focusing only on data and system enhancement without focusing in talent development

Integration to other tools

Having on-top solution that don't integrate well with other tools, and hard to use

Culture Change

Lack of cultural change to derive value from technology rather than just implementing technology

Collaborative, Data driven mindset promoting Digital strategy

is instrumental in driving the efficient and effective use of data in order to maximize value and business results



Foundation

Build a strong data foundation supported by a clear, future-ready architecture for increased data-centricity at scale

Governance

Ensure data quality and improve data landscape to maximize value of data assets

Culture

Improve data culture and mindset to make employees engaged, empowered and upskilled

Analytics & Tech

Boost operational excellence, superior risk insights, solution & service delivery with leading analytics competencies

Digital Trust

Foster Digital Trust through transparency in data transaction, customization and personalization, convenience in digital interactions

Key aspects

The use of data as a decision-making tool and as a means of unlocking value



Strategic Review, Market and Portfolio Insights

Connecting Process and Data Insights to Drive value of
your Digital transformation ambitions

WHAT IS IT?

Holistic independent review of your operations using a combination of advanced data science techniques, design thinking methods and Swiss Re's unique business domain experience and expertise.

WHAT ARE THE BENEFITS?



Provide an independent view of your portfolios and operations, by Swiss Re's business domain experts.



Help insurers to transform their operations to deliver new digital capabilities, enhance customer centricity, improve employee retention, and optimize efficiency.



Provide be spoke, feasible solutions taking into consideration a balanced combination of best and market practices

WHAT OUR CLIENTS SAY ?



The streamlined process was planned well with relevant case discussions that helped us in showcasing our strategy, concept and capabilities, the resulting key points & recommendations therefore represented areas of improvement which were relevant & reinforced/revalidated our internal assessment of the same

Automated underwriting real business benefits

Your challenge

Your Challenge

Changing consumers

Data proliferation

Tech (R)evolution

Changing regulation

The UW automation promise

More sales

- More engaged & satisfied customers
- Increased conversion rates

Better & faster decisions

- Optimize distributor performance
- Predictive, automated & fast
- Fewer exams & paperwork
- Higher disclosure rates

Operational efficiencies

- Direct resources where needed
- Easier implementation of new products/rules

Better controls

- Simple & flexible integration
- Detailed Q&A audit trail
- Fewer errors & omissions
- Improved UW consistency

The proof in numbers*

89%

Achieved by a client with **complex products**

<4min

To **complete underwriting**

>100

Days **saved effort** by adopting rule updates by Swiss Re

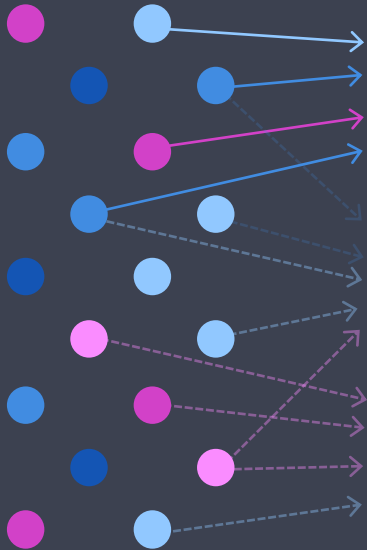
13%

Increase in **disclosure rates**

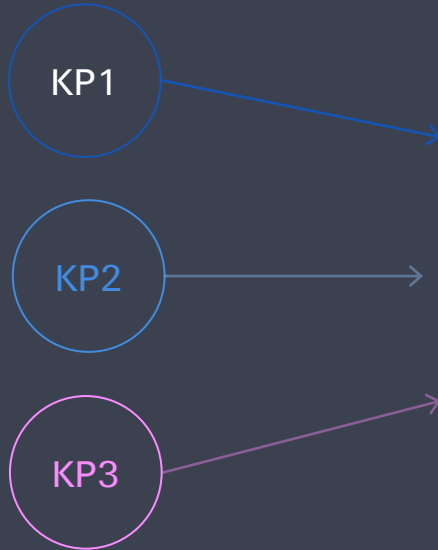
Claims Risk Score Model

Provides a single composite score for each claim based on multiple dimensions of risk

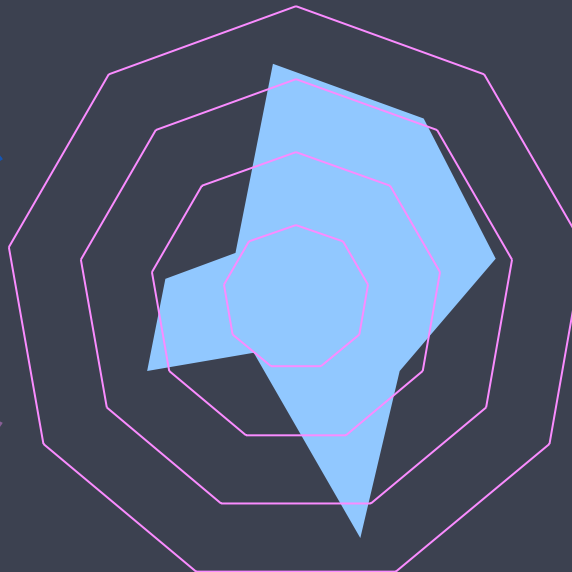
Claims data points



Discrete risk factors / KPIs



Aggregate Claims Risk Score



Unsupervised learning allows to continuously learn & discover hidden patterns w/o the need of human intervention



Swiss Re's clinical knowledge inbuilt to intelligently amalgamate underlying risk factors into a composite score



Uniquely structured to handle Individual & Group and Inpatient & Outpatient claims



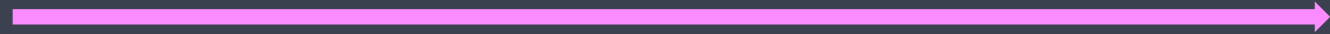
Flexibility to be applied throughout the claim life-cycle. E.g. pre-admission, admission, discharge, payment etc.

The opportunity

Create a Data Ecosystem to Revolutionize Medical Insurance Business

Connecting Underwriting & medical Claims data helps to guide better decision making in Medical Business

Rule-based and UW questions optimisation	Sharpen UW decisions	Sharper medical pricing	Improved Customer profiling	Improve portfolio experience	Predictive lapse/ claims model
--	----------------------	-------------------------	-----------------------------	------------------------------	--------------------------------



Automated UW tool



- Underwriting Automation
- Underwriting Rule base development
- STP Enhancement
- UW tool Analytics
- Predictive Underwriting



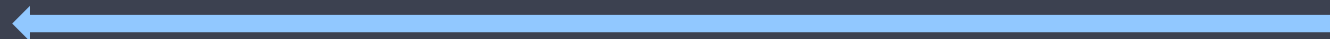
POLICY ISSUANCE



- Portfolio Monitoring
- Advance Claims Analytics
- Claims Scoring



MedRe



Continuous STP optimisation/OPEX and NPS improvement	Feedback loop to improve predictive UW model	Product Benefit enhancements	Improve distribution management	Campaigns automation
--	--	------------------------------	---------------------------------	----------------------

Thank you!

Follow us



Legal notice

©2023 Swiss Re. All rights reserved. You may use this presentation for private or internal purposes but note that any copyright or other proprietary notices must not be removed. You are not permitted to create any modifications or derivative works of this presentation, or to use it for commercial or other public purposes, without the prior written permission of Swiss Re.

The information and opinions contained in the presentation are provided as at the date of the presentation and may change. Although the information used was taken from reliable sources, Swiss Re does not accept any responsibility for its accuracy or comprehensiveness or its updating. All liability for the accuracy and completeness of the information or for any damage or loss resulting from its use is expressly excluded.