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News Announcement

Augmented automated underwriting brings a new generation of underwriting to the life insurance market

Munich Re Automation Solutions lays a blueprint for how augmented automated underwriting will revolutionise customer experience

Munich Re Automation Solutions, the world leading provider of digital new business, underwriting and analytics solutions to the life insurance industry, has today launched a report laying out the next generation of automated underwriting.

Augmented Automated Underwriting: the next generation of underwriting highlights the common challenges faced by the life insurance industry and shows how augmented automated underwriting (AAU) will help firms face these head on to achieve common goals.

Hailed as the fifth generation of the digital evolution of underwriting, AAU is the product of three critical components: technology, analytics and insurance expertise.

Declan O’Neill, EVP of Product & Data at Munich Re Automation Solutions said: “AAU provides the answer for two of the biggest priorities for life insurance firms, meeting the expectations of an increasingly tech savvy customer base, and satisfying internal pressure to bring down the cost of onboarding. Those who successfully adapt will be able to harness the power of AI to unlock greater business value from advanced analytics applied to an ever-increasing list of data sources. Ultimately, this will allow firms to transform their customer experience, offering a journey which is easier, quicker, and less likely to be uncompleted.”

The paper examines in detail:

- **How AAU builds on and evolves previous technology investments and implementations.** Currently most firms are sitting between the first and third generation, but rather than forcing firms to start from scratch in order to achieve fifth generation AAU, the capability can be built into existing underwriting processes.
- **How advanced analytics, predictive modelling, and machine learning can change underwriting processes and transform the customer experience.**
- **Whether AAU is the inevitable destination for life insurance underwriting.** This includes an evaluation of some of the key challenges such as how regional regulations will affect adoption, and how underwriters ensure that they are able to justify any decisions made by technology retrospectively.

Colm Kennedy, EVP of Americas at Munich Re Automation Solutions comments: – “Life insurance underwriting in the US has traditionally relied heavily on biological data to assess risk, something which is time consuming and invasive for customers, and has been all together more challenging with the onset of the pandemic. Augmented automated underwriting is a key driver in allowing firms to adapt to the changes being forced on the industry in order to provide a more convenient solution for the end customer.

Alby van Wyk, EVP of APAC at Munich Re Automation Solutions said: “There’s a huge variance across APAC when it comes to levels of automation, so the journey towards AAU within the region will take different routes. What is consistent is that customers are no longer only looking for the lowest price, but also for firms that offer the most up to date technologies and best user experience. The firms who can adapt quickest and capture convenience hungry customers will set themselves ahead of competitors.

Paul Donnelly, EVP of EMEA at Munich Re Automation Solutions adds that: “This technology is allowing us to reinvent the customer experience of the life insurance market, whilst making sure that firms don’t fall foul of regional data regulations. Augmented automated underwriting will allow greater underwriting accuracy, minimise false positives, and reduce spikes in risk.”

“Additionally, a key advantage of AAU is that it can be built into existing systems, however this is a complex journey, so firms need to select the right partner to ensure implementation success.”

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About Munich Re Automation Solutions

Munich Re Automation Solutions, is the world leading provider of digital new business, underwriting and analytics solutions to the insurance industry. Working with forward-thinking customers across the globe, we're on a mission to revolutionise the way life insurance is bought and sold, using next-generation technology to give insurers the power to grow their businesses profitably. Learn more at <http://www.munichre.com/automation-solutions>

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