

# Life Insurance Master Class

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# WHO WE ARE



Florina Vizinteanu – Managing Partner

Over 20 year of experience in life insurance as CEO of top companies, developing start-ups, pension funds, health insurance, bancassurance strategies, project management.



Madalina Serban - Senior Consultant

Over 15 year of experience in life insurance as chief actuary of top companies, developing products (life, pension and health), technical business plans, project management.



# LIFE INSURANCE

- Life insurance is one of the most important part of financial planning for each person.
- The complexity of life insurance is granted by the long term perspective of such a contract.
- Being a long term contract both parties (insurer and insured person) have to be aware of persistency, of keeping the contract "alive" until its maturity.

# LIFE INSURANCE PRODUCTS



- Each life insurance company must ensure a wide product palletta, defined by diversity and complexity of products.
- Life insurance products must be designed based on market potentials and client needs.
- Life insurance product development is a complex process which involves a team working closely with experts from marketing, sales, legal, actuarial and IT departments.

# PRODUCT DESIGN



# LONG TERM CONTRACT



- Most important step in issuing a life insurance policy is a deeply analysis of insured person's needs for the most suitable product and level of sum insured.
- On the other hand the insured person must carefully choose the insurer to be sure it will fulfill its obligations during life insurance duration.

# FACT FINDER



- First analysis in life insurance is called "Fact Finder Tool".
- Fact Finder Tool is helping the insurer knowing that future clients gets proper life insurance products based only on its particular needs.
- This analysis is ensuring also that potential client has financial strength, together with the need, of sustaining a long term payment plan.

# UNDERWRITING



- Next important step in issuing a life insurance policy is a deeply analysis of insured person's health and financial status.
- The health and financial status of insured person is analysed through undewriting procedures.
- An underwriting process is a risk assesment of health status for insured persons based on its age and desired sum insured.



# STANDARD RISK

- The underwriting process is set up on health status. Based on the answers, several dedicated questionnaires may arise which could influence the way of issuing a life insurance policy.
- After the underwriting process is done, the insurer may issue the policy in standard conditions, meaning the client is currently healthy and can reach maturity of life insurance policy without significant risks.

# SUB-STANDARD RISKS

- Sub-standard condition, meaning the client has some medical issues, can be insured only by applying an extra-premium.
- The underwriting process could conclude even to decline the policy if medical conditions are serious and there is no indication that the client could survive until maturity.

# CLAIMS

- Claims settlement process is closely connected with underwriting process.
- If underwriting process is defined correctly and done properly, the claims experience is very low.
- Claim settlement process is a complex process in life insurance, where both underwriters and doctors evaluate and decide the approval or rejection of each claim.

# CLAIMS

- In life insurance claim process is an individual assessment, taking into account only personal information about the medical history of insured person.
- In order to avoid fraud cases, usually life insurer do not transform claim process into a mass process and try to analyze in specific each claim file.
- Still an efficiency cost versus productivity analysis must be performed.

# CREST MODULES



- Following CREST modules are developed for specific processes in a life insurance company.

# CREST-pos



- IT sales tool designed for distribution channels (bancassurance channel, direct sales force, brokers) as a tailor made instrument for client and company needs.
- CREST-pos allows the sales agent to issue a policy, easy and fast, in line with client needs. The agent can generate immediately :
  - Fact Finder
  - Offer
  - Application form
  - Underwriting process
  - Product guideline
  - Terms and conditions
  - Policy
- All client-friendly documents
- Access to relevant data bases
- All relevant information from the source, together with fast policy issue, are improving quality for the agent.
- Final result: efficient processes, higher client satisfaction, increase client retention.

# CREST-mag



- Training program CREST-magister, special designed to each distribution channel:
  - Product, procedures and workflows
    - E-learning
    - E-mail
    - Workshop
  - Sales abilities
    - Workshop
    - Demo
    - Observing
    - Feed-back
    - Sales meetings

# CREST-tech



- CREST-tech module is designed to develop life insurance products.
- Life insurance products aimed for target group of clients of each distribution channel:
  - Bancassurance channel - easy access products
  - Direct sales force – complex products
  - Brokers – personalized products for their network
- IT – solutions for administration of life insurance products (technical and non technical changes of contracts, claims management, technical reserves).
- Client service reports.





# CONCLUSION

- We are focusing on added-value and business profitability of our clients.
- We are using cost rules and risk management technics to transform volume into profit.
- We are working as a team with all our partners and share sucess benefits.
- Oportunity to increase productivity as your distribution chanel will offer complete services to your clients.
- Product diversification and additional income.