



# LifeScore Med360<sup>SM</sup> **CASE STUDY**

## Company Profile

A large, well-known insurance company issues approximately 70,000 policies per year, many with low face amounts. Its book of business includes term, whole and universal life insurance.

## Business Objective

To grow its book of business through a better understanding of risk, which enables more competitive pricing and a higher take rate.

## Key Stakeholders

Chief actuary and their supporting team.

## LifeScore Labs Proposal

Conduct a LifeScore Med360 pilot to analyze historical and anonymous underwriting data and score a segment of applicants. Compare the LifeScore Med360 score and risk class placement to the insurer's actual risk class placement.

The results were enlightening.



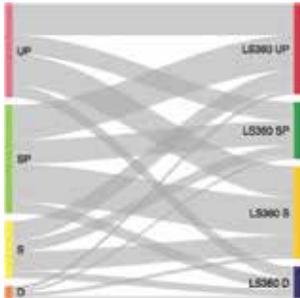
Take the next step

To discuss how a predictive model may help you better understand risk, email [contact@lifescorelabs.com](mailto:contact@lifescorelabs.com) or visit [www.lifescorelabs.com](http://www.lifescorelabs.com)

# The LifeScore Labs Pilot

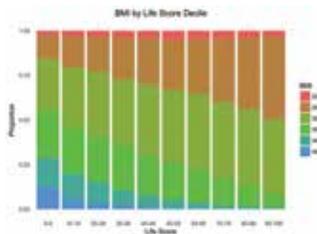
The insurer provided approximately 86,000 de-identified historical applicants to the LifeScore Labs team of data scientists and product specialists. Working closely with the client, our team calibrated LifeScore Med360 to align with the carrier's placement rates, thresholds and tolerance for risk.

The applicants were scored and compared to the carrier's original risk assessment to identify differences in risk class, attribution, cohort analysis and mortality. Here's what we found.

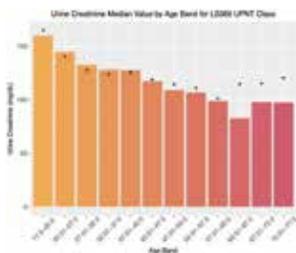


**Risk Class Comparison:** We analyzed the differences between LifeScore Med360's risk class assignments and the historical risk class assignment. Sixty-seven percent of the applicants had a different risk class. LifeScore Med360 assigned:

- 35% to a higher-risk class
- 32% to a lower-risk class
- 33% to same risk class



**Attribution Analysis:** With the risk class comparison complete, we developed an attribution analysis that provided the client with transparency in the form of variables that may have influenced the client's historical placement, such as health indicator, prescription medication history, requested policy face amount, etc.



**Impact Analysis:** Our next step was to pinpoint which applicant segment had the most-improved risk assessment. This segment was targeted for the initial rollout. Personas in each age, sex, tobacco status and risk class were developed to compare the historical risk class to the LifeScore Med360 classification.

## Results

After completing the full analysis, the carrier verified the results with a reinsurance partner, which stated they were “a major evolution for life insurance underwriting and the consumer.” The pilot provided the carrier with the proof it needed to move forward and implement the model in its underwriting ecosystem. Fast-forward two years, and the carrier enjoys a 25% faster approval time and a 30% increase in acceptance rates.