

RESEARCH CALL FOR PROPOSALS

Underwriting and Innovation

BACKGROUND and PURPOSE

Life Insurance underwriting practices have been evolving through time. From the development of smoker classes to preferred underwriting classes, from collecting fluids to collecting third-party data, underwriters are trying to find ways to identify the mortality risk of the policyholder as quickly and accurately as possible. The goal of this report is that the reader should come away with an understanding – at a primer level – of the concept of automated underwriting, where it is currently, and where it may head in the future. A primer paper should be no more than 10 pages long.

RESEARCH OBJECTIVE

The Actuarial Innovation & Technology Program Steering Committee (AITPSC) is seeking researchers to prepare a primer paper that provides some background on the current state of accelerated underwriting, and considers current leading-edge and future possible accelerated underwriting techniques. These leading techniques may either be in existence today, and will likely exhibit rapid growth in 2020, or may emerge in the next 5 – 10 years for future use. The report should include the researchers' interviews with various underwriters and experts in the area to relay their insights on the future evolution of underwriting. The goal of the paper is not only to identify the leading-edge techniques, but also touch on global concerns about, or barriers to, implementing these techniques.

PROPOSAL

To facilitate the evaluation of proposals, the following information should be submitted:

1. Resumes of the researcher(s), including any graduate student(s) expected to participate, indicating how their background, education and experience bear on their qualifications to undertake the research. If more than one researcher is involved, a single individual should be designated as the lead researcher and primary contact. The person submitting the proposal must be authorized to speak on behalf of all the researchers as well as for the firm or institution on whose behalf the proposal is submitted.
2. An outline of the approach to be used (e.g. literature search, model, etc.), emphasizing issues that require special consideration and the standardization that can be realized to aid in the development of a recurring survey. Details should be given regarding the techniques to be used, collateral material to be consulted, reusability and possible limitations of the analysis.
3. A description of the expected deliverables and any supporting data, tools or other resources. Consideration should be given to the initial report created for this series of research and the preference for externalized data that can be included in the AITPSC's data repository.
4. Cost estimates for the research, including computer time, salaries, report preparation, material costs, etc. Such estimates can be in the form of hourly rates, but in such cases, time estimates should also be included. Any guarantees as to total cost should be given and will be considered in the evaluation of the proposal. While cost will be a factor in the evaluation of the proposal, it will not necessarily be the decisive factor.
5. A schedule for completion of the research, identifying key dates or time frames for research completion and report submissions. The AITPSC is interested in completing this project in a timely manner. Suggestions in the proposal for ensuring timely delivery, such as fee adjustments, are encouraged.

6. Other related factors that give evidence of a proposer's capabilities to perform in a superior fashion should be detailed.

SELECTION PROCESS

The AITPSC will oversee the selection of projects. The AITPSC will review each proposal and is responsible for recommending proposals to be funded. Input from other knowledgeable individuals also may be sought, but the AITPSC will make all final decisions, subject to SOA leadership approval. SOA will provide staff actuarial support to develop and publish the final material.

Questions

Any questions regarding this RFP should be directed to Mervyn Kopinsky, SOA Experience Studies Actuary (phone: 847-706-3571; email: mkopinsky@soa.org).

NOTIFICATION OF INTENT TO SUBMIT PROPOSAL

If you intend to submit a proposal, please e-mail written notification by March 11, 2020 to Korrel Crawford (kcrawford@soa.org).

SUBMISSION OF PROPOSAL

Final proposals for the project should be sent via e-mail by March 13, 2020 to Korrel Crawford at kcrawford@soa.org.

Note: Proposals are considered confidential and proprietary.

CONDITIONS

The selection of a proposal is conditioned upon and not considered final until a Letter of Agreement is executed by both the Society of Actuaries and the researcher.

The SOA and AITPSC reserve the right to not award a contract for this research. Reasons for not awarding a contract could include, but are not limited to, a lack of acceptable proposals or a finding that insufficient funds are available. The SOA and AITPSC also reserve the right to redirect the project as is deemed advisable.

The SOA and AITPSC plan to hold the copyright to the research and to publish the results with appropriate credit given to the researcher(s).

The SOA and AITPSC may choose to seek public exposure or media attention for the research. By submitting a proposal, you agree to cooperate with the SOA and AITPSC in publicizing or promoting the research and responding to media requests.

The SOA and AITPSC may also choose to market and promote the research to members, candidates and other interested parties. You agree to perform promotional communication requested by the SOA and AITPSC, which may include, but is not limited to, leading a webcast on the research, presenting the research at an SOA meeting, and/or writing an article on the research for an SOA newsletter.