

Morning Session – Carrier Benefits

New Business and Underwriting

1. If the majority of your insurance applications were received electronically and most if not all were in-good-order and therefore could be loaded straight to your new business system, what would this mean to your organization in terms of:
 - a. Time savings - Large
 - b. Work effort time and money
 - i. Application entry –Large or Medium (because IGO increases); Medium due to outsourcing makes it less of a unit cost saving (depends on current process); order processing relates to service turn around
 1. Advisors may well increase shopping
 - ii. In-good-order processing – medium (20-30%)
 - iii. Reduction in follow up requests and time –Large- because it crosses over into all other areas even clients as well order processing relates to service turnaround time; *alot of that information is coming back through email and not securely
 - c. Service improvements – i.e. turnaround time , frustration; attraction factor for new recruits – i.e. there is a system, turnaround time. More capacity due to being in synch with their technology i.e. mobile device. Large – (one vote); Caution - get real all improvements can't be huge – by going electronic won't solve all the problems – give your head a shake. Perceived savings on time/const on going electronic have not been achieved. Im not interested in a love in session. We can over quantify, but as a ops guy we can add up the benefits. If everything is large we would achieve millions in savings – it's more of a summary of smaller chunks; which service improvements for carriers – if apps are coming in perfect now, so improvements are not huge – small. None of these are knock-outs, but in aggregate large. Tele-apps are indicative of some small improvements. Parking lot – contracting process an easy slam dunk for improvement. SMALL
 - d. Percentage of applications accepted and placed
 - i. Resulting impact on underwriting costs – small
 - ii. Wastage reduction - small
 - e. Other (please indicate other areas that would or could be affected)
2. Number of applications written each year – small benefit
3. Number of applications placed each year - small benefit
4. Number of application NPWs (due to incomplete – i.e., wastage) – more shopping-reverse benefit – not comment as a benefit. Neutral .
5. Some potential benefits that might accrue to you and your business partners are below – do these apply?
 - a. More time – small-med
 - b. faster submission-issue cycle time - medium
 - c. better underwriting decisions - small
 - d. Interactive applications – Underwriting - small
 - e. All (most) applications in good order - small
 - f. Less sequential underwriting questions/requirements - small
 - g. Data captured once – consistent at all points – Distributor, Carrier, etc.- large (avoiding amendments)
 - h. More professional look to client/prospect – neutral

- i. Better records – Large (data captured once)
- j. Population of application from existing data (CRM, Illustration, etc.) – workflow item – small
- k. Integration of illustration and application - small
- l. Better, quicker feedback and status updates - small
- m. Higher placement ratio - small
- n. Ultimately real-time underwriting decision possibility – medium (lower end of the market) – JET stp could improve JET (even training staff – JET should stay in NB, but...)
- o. Faster commission payments – small (big from Advisor perspective, but not carrier)
- p. Reduction in administration and other paper work - small
- q. “drop-ticket” potential – start mini-app for completion by other(s) – e.g., Tele-Underwriter, Assistant, etc. – open up other markets; all these improvements in conjunction should be big
- r. Are we moving to all one app for all carriers? I don't think all carriers will agree on all uw questions – standardized approach and form (look and feel). Not generic – 80-90% generic – nice try not going to happen. Uw feel their questions are special, but from a tech perspective it doesn't matter...generic software application

Moving Beyond New Business and Underwriting

1. If the process/platform was established do you see using it for other products – e.g., Seg Funds, SPIAs, GIAs, etc.?
2. Do you envision being able to use it to communicate other information – e.g., InForce Information, Compensation, Advisor Contracting and Licensing, Reinsurance, Others?

FROM SCOTT'S PRESENTATION THIS MORNING

Carrier Perspective – Key Drivers

Perspective

- Advisor and Consumer view vs. Carrier view of how to: Gather, Transmit and Share data

Operational Drivers

- Unit Cost Savings for all New Business functions
- Unit Cost Savings for all Underwriting functions
- Physical Plant, Mail, Courier and Image Savings
- Underwriting Requirement Savings
- IGO Improvements – 100% - Drives Paid to Written Ratios Up

Service Drivers

- **Cycle Time Improvements – Exponential Improvement**
- **Reduced Call Centre / Clients Service Volumes**
- **Reduce Distributor – Carrier – Advisor Disagreements**
 - **Customer Service Win**

Product Drivers

- **Opportunity for Product Design Innovation**
 - **Leverage Function, Quality, Speed, etc.**

Information Technology

- **Common Model**
 - **Shared Development Costs**
 - **More Robust & Cost Effective Data Sharing**

Sales & Marketing Drivers

- **E-enable the business model – reach more, faster, cheaper**
- **Reach new markets by leveraging tools to help Distributors and Advisors explore new opportunities very efficiently**
- **Drive sales – actual live examples have increased sales 100%**
- **Make recruiting an attractive proposition again**
- **Sales force becomes sales focused, not service resolution focused**
- **Better paid to written ratios**