



2024
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**Winning
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The Impact of AI on Traditional Underwriting



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Underwriter vs. Bot

- **Question:** Can you tell me about Aaron Wolf, Chief Underwriter for Western & Southern Financial Group?
- **Chat GPT 3.5:** *As of my last update in January 2022, I don't have specific information about an individual named Aaron Wolf serving as the Chief Underwriter for Western & Southern. It's possible that there may have been changes or developments since then. Western & Southern is a financial services company based in Cincinnati, Ohio, offering a range of insurance, investment, and retirement solutions. If Aaron Wolf assumed the role after my last update, I would recommend checking the company's official website or recent news sources for more information on his background, responsibilities, and contributions to Western & Southern.*

Underwriter vs. Bot - Diabetes

- **Question:** Can you tell me the underwriting challenges of giving life insurance to a diabetic?
- **Chat GPT 3.5:** *Certainly! Insuring individuals with diabetes poses several underwriting challenges due to the potential health risks associated with the condition. Some of these challenges include:*
 1. *****Medical History*****: *Insurers typically assess the applicant's medical history, including the duration of diabetes, complications such as neuropathy or kidney disease, and any related conditions like hypertension or heart disease.*
 2. *****Control of Blood Sugar Levels*****: *Insurers may scrutinize the applicant's ability to manage their blood sugar levels through medication, diet, and lifestyle modifications. Poorly controlled diabetes increases the risk of complications and mortality.*
 3. *****Presence of Complications*****: *The presence of diabetic complications, such as retinopathy, neuropathy, or cardiovascular disease, can increase the risk of mortality and affect the insurability of the individual.*
 4. *****Age at Diagnosis*****: *The age at which diabetes was diagnosed can influence underwriting decisions. Those diagnosed at a younger age may have a longer history of managing the condition and potentially a higher risk of complications.*

Underwriter vs. Bot

- 5. **Treatment Regimen**: The type and frequency of diabetes management, including insulin therapy or oral medications, can impact underwriting decisions. Insurers assess the effectiveness of the treatment in controlling blood sugar levels and reducing the risk of complications.
- 6. **Overall Health**: Insurers evaluate the applicant's overall health, including lifestyle factors such as smoking, alcohol consumption, and BMI (Body Mass Index), which can contribute to the risk profile.
- 7. **Family History**: A family history of diabetes or related health conditions may also be considered in the underwriting process, as it can indicate a genetic predisposition to certain health risks.
- 8. **HbA1c Levels**: Hemoglobin A1c (HbA1c) levels provide insight into the individual's average blood sugar levels over the past few months and are used to assess the long-term management of diabetes.
- These factors, among others, are considered by insurers when evaluating the risk associated with providing life insurance to individuals with diabetes. Depending on the severity and management of the condition, premiums may be higher, coverage limits may be adjusted, or certain exclusions related to diabetic complications may be applied.

Underwriter vs. Bot - Diabetes

- **Response to Same Question in June 2023:**

Sure, I can explain the underwriting challenges that come with providing life insurance to someone with diabetes.

One of the main challenges is assessing the risk involved in providing life insurance to a diabetic. Life insurance companies use underwriting to determine the level of risk that an applicant poses to the company. With diabetes, underwriters have to consider the severity of the condition, how well it is managed, and any complications that may arise from it.

Here are some specific underwriting challenges that may arise when providing life insurance to a diabetic:

Assessing the severity of the diabetes: Underwriters will want to know the type of diabetes, how long the applicant has had it, and how well it is controlled. Type 1 diabetes is typically seen as more severe than type 2 diabetes.

Evaluating blood sugar levels: Underwriters will want to see that the applicant's blood sugar levels are stable and well-controlled. They may ask for recent lab results to verify this.

Understanding treatment: Underwriters will want to know what medications the applicant is taking and whether they are following a recommended treatment plan. If the applicant is not following a treatment plan, or if the treatment plan is not effective, it could be seen as a higher risk.

Assessing complications: Diabetics are at risk for a variety of complications, including heart disease, kidney disease, neuropathy, and vision problems. Underwriters will want to know if the applicant has any of these complications, and if so, how well they are managed.

Determining overall health: Underwriters will want to evaluate the applicant's overall health to determine if they are at a higher risk for other health problems. This may involve asking about family history, lifestyle habits, and other health conditions.

In general, the underwriting process for a diabetic may be more complex and take longer than for someone without the condition. However, it is still possible for a diabetic to obtain life insurance coverage, and the cost of the coverage will depend on the individual's overall health and risk factors.

HbA1C was not mentioned in 2023

Underwriter vs. Bot – Older Diabetic

- **Question:** What rating can a 55 year old diabetic that is slightly overweight expect for a life insurance policy?
- **Chat GPT 3.5:** The rating an individual with diabetes and slightly overweight status can expect for a life insurance policy depends on various factors such as the severity of diabetes, overall health, control of blood sugar levels, presence of complications, and other underwriting considerations. Without specific details about the individual's health profile, it's challenging to provide an exact rating.
- However, generally speaking, a 55-year-old diabetic who is slightly overweight may receive a rating that falls into the standard or substandard category. The specific rating class and associated premium would be determined by the insurance company based on the underwriting assessment. If the individual has well-controlled diabetes, no significant complications, and overall good health, they might qualify for a standard rating with slightly higher premiums due to the diabetic status and overweight condition.
- On the other hand, if there are complications, poorly controlled blood sugar levels, or other health issues, they might receive a substandard rating with higher premiums or face coverage limitations or exclusions related to diabetic complications.
- It's essential for individuals in this situation to work with an experienced insurance agent who can help them navigate the underwriting process and find the best coverage options available given their specific health profile.

Underwriter vs. Bot – Second Hand Smoke

- **Question:** Can secondhand smoke from cigarettes impact my rating for life insurance policy?
- **Chat GPT 3.5:** Yes, exposure to secondhand smoke from cigarettes can potentially impact your rating for a life insurance policy. Insurance companies assess various factors to determine an applicant's risk profile and premium rates, and exposure to secondhand smoke may be considered as part of the underwriting process.
- Secondhand smoke exposure can increase the risk of developing various health conditions, including respiratory diseases, cardiovascular diseases, and certain cancers. Insurance underwriters may take this increased risk into account when evaluating an applicant's overall health and lifestyle.
- Depending on the insurer's underwriting guidelines and the extent of secondhand smoke exposure, it could result in a higher premium rate or a less favorable rating class for the life insurance policy. Essentially, the insurer may consider individuals exposed to secondhand smoke as having a higher risk of health complications compared to non-exposed individuals, which may affect their insurability and premium rates.
- If you're concerned about how secondhand smoke exposure may impact your life insurance application, it's essential to be transparent about your exposure history during the underwriting process. Providing accurate information allows the insurer to assess your risk accurately and provide appropriate coverage. Working with an experienced insurance agent can also help you navigate the underwriting process and find the best coverage options available given your specific circumstances.

Underwriter vs. Bot – Marijuana Use

- **Question:** What rating can a 50-year-old man from IL using marijuana expect for a life insurance policy?
- **Chat GPT 3.5:** Life insurance underwriting for individuals who use marijuana can vary depending on several factors, including the frequency of use, the method of consumption, overall health, and the insurance company's underwriting guidelines. Here are some general considerations:
 - 1. ****Frequency of Use**:** Insurance companies typically ask about the frequency of marijuana use, such as occasional, moderate, or frequent use. Occasional users may have an easier time obtaining coverage compared to frequent users.
 - 2. ****Method of Consumption**:** Some insurance companies differentiate between smoking, vaping, or edible consumption of marijuana. Smoking may raise more concerns about respiratory health and could impact underwriting decisions differently than other methods.
 - 3. ****Health History**:** The applicant's overall health history, including any underlying medical conditions, will be considered alongside marijuana use. Factors such as blood pressure, cholesterol levels, and family medical history may influence underwriting decisions.
 - 4. ****Nicotine and Tobacco Use**:** Some insurance companies may classify marijuana users differently depending on whether they also use nicotine or tobacco products. This could affect the rating class and premium rates.

Underwriter vs. Bot – Marijuana Use

- 5. ****Age****: Age is another important factor. While a 50-year-old applicant may face slightly higher premiums due to age, the impact of marijuana use on underwriting will depend on other health factors and the insurer's policies.
- 6. ****Insurance Company Policies****: Different insurance companies have varying underwriting guidelines regarding marijuana use. Some may be more lenient than others, especially as attitudes and laws surrounding marijuana evolve.
- It's essential for individuals considering life insurance to be transparent about their marijuana use during the application process. Providing accurate information allows the insurance company to assess risk accurately and provide appropriate coverage. Working with an experienced insurance agent who understands the nuances of underwriting for marijuana users can also help find the best coverage options available.

***ChatGPT is not an underwriter today
but what will it look like in 5 years?***

Discussion Questions

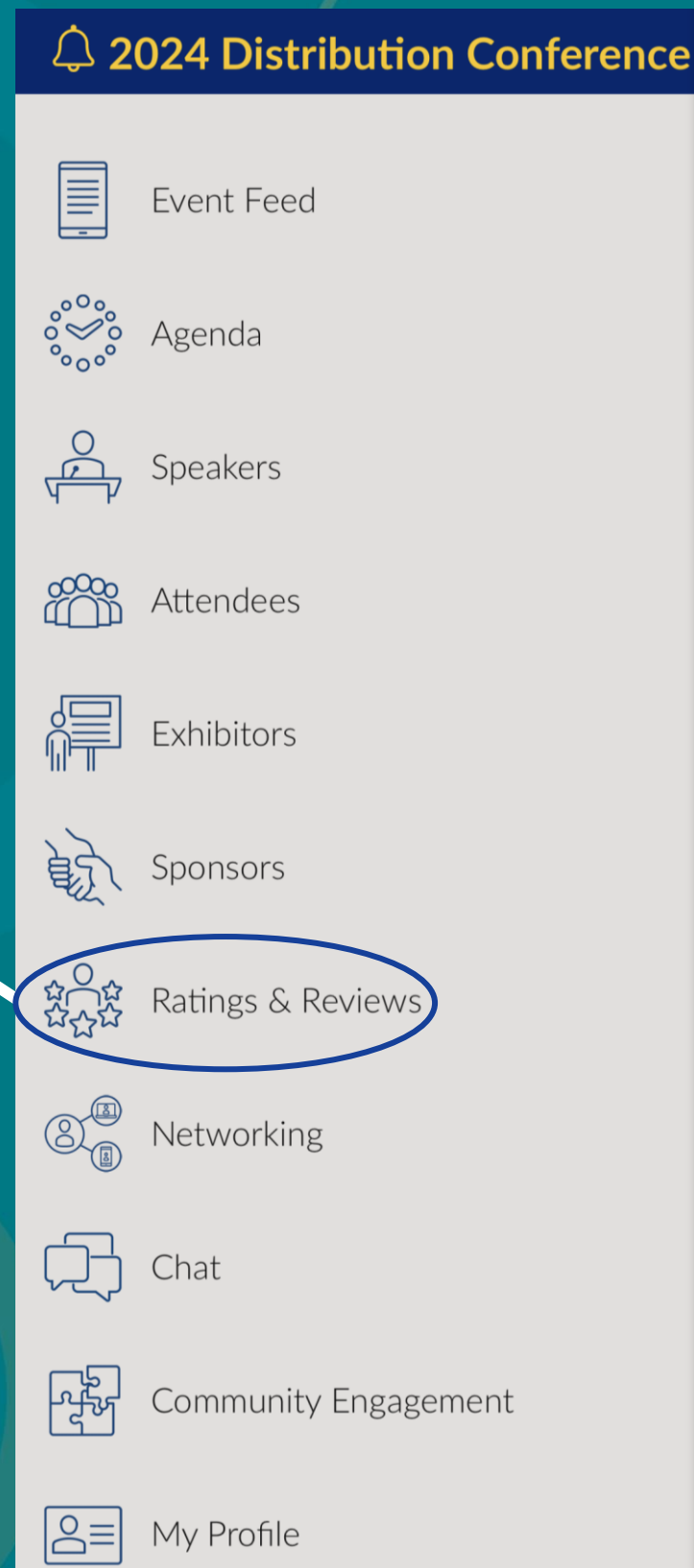
- We have seen the adoption of Electronic Healthcare records increase significantly since COVID. How is this changing underwriting today? What percentage of cases are electronic records available for and are they providing the same data as traditional records?
- How is AI impacting how use of electronic healthcare records?
- With all the opportunities that AI provides and the ability to interpret large quantities of data in a very short period, what are regulators saying about the use of AI in underwriting?
- What changes to underwriting will we see in the next 3-5 years that's not related to AI?
- How is AI impacting other areas of insurance?
- There are a lot of things that may not be directly impacted by AI but are indirectly impacted. An example of this would be aggregated data provided by AI or additional tools that can be used alongside more traditional tools or systems. How will these new data source, tools and AI impact the Accelerated Underwriting Programs that many of us have available?

Discussion Questions

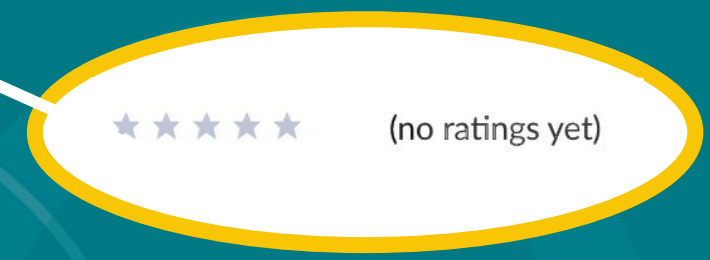
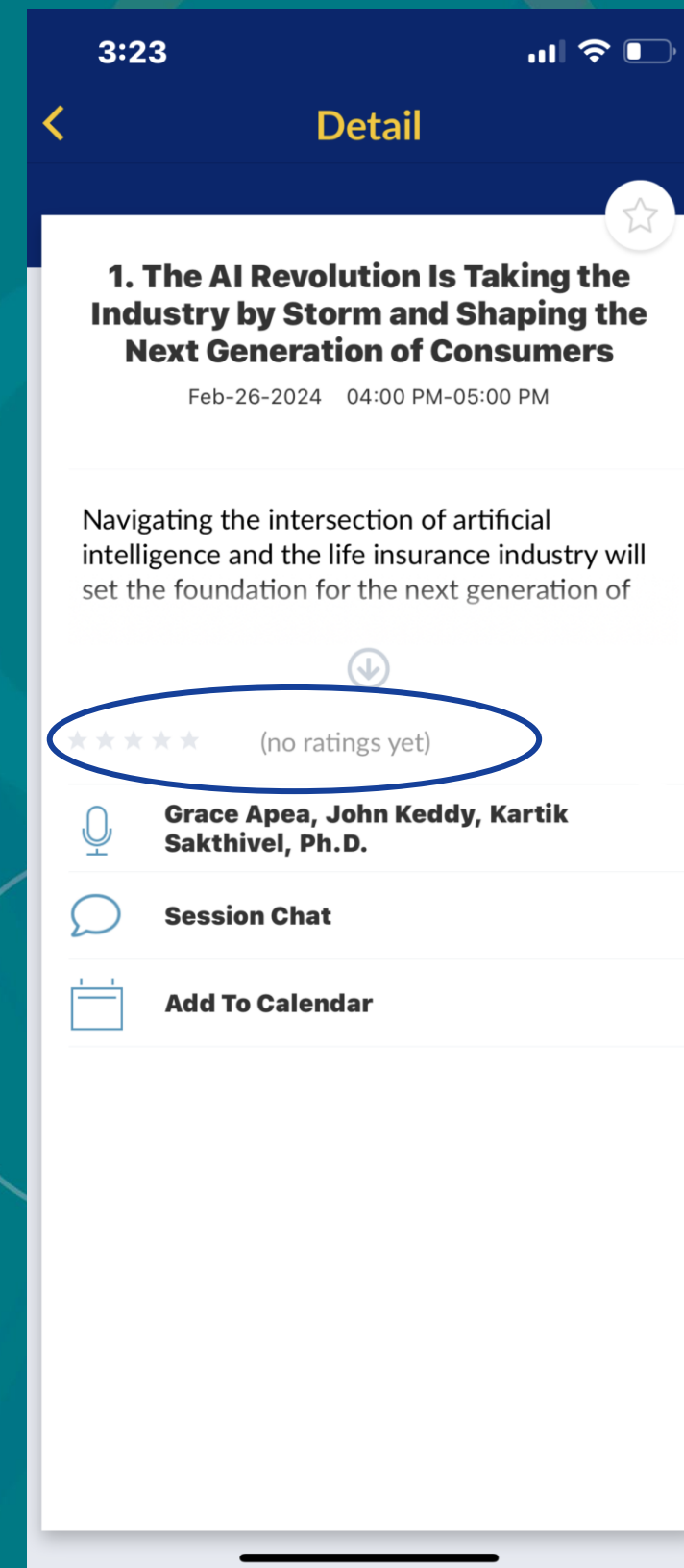
- With the additional data and tools available as we just talked about, how are we integrating all this tools and data into the current underwriting platforms? Are the current platforms able to handle all of this?
- Are most of these tools for carrier use or will we see AI help at the client level and agent level as well?

Please Provide Your Feedback on the Conference App

OPTION 1



OPTION 2



Thank You

