

Insurance Institute of Zimbabwe

Fundamentals of Life Insurance
Underwriting



- **Fungai John Marangwanda**
- ACII
- Chartered Insurer (honorary)
- 40 years+ in life insurance

Programme

- 0830 – 0900
 - 0900 – 1300
 - 1300 – 1400
 - 1400 - 1630
- Arrival and registration
 - Introductions
 - Definitions
 - Purpose of Life Underwriting
 - Information Sources
 - Key Risk Factors
 - Underwriting process
 - Lunch
 - Reinsurance
 - Underwriting Decisions
 - Technology

Some Definitions


- Proposal
- Proposer
- Life assured
- Insurable interest
- Standard life
- Sub-standard life

What is Life Underwriting?



- Assess
- Select
- Categorize
- Accept or decline
- Terms and conditions

Purpose of Underwriting

- Identify the person/s
 - Nature and size of risk
 - Prevent anti-selection
 - Equity
 - Affordability and accessibility
 - Profit
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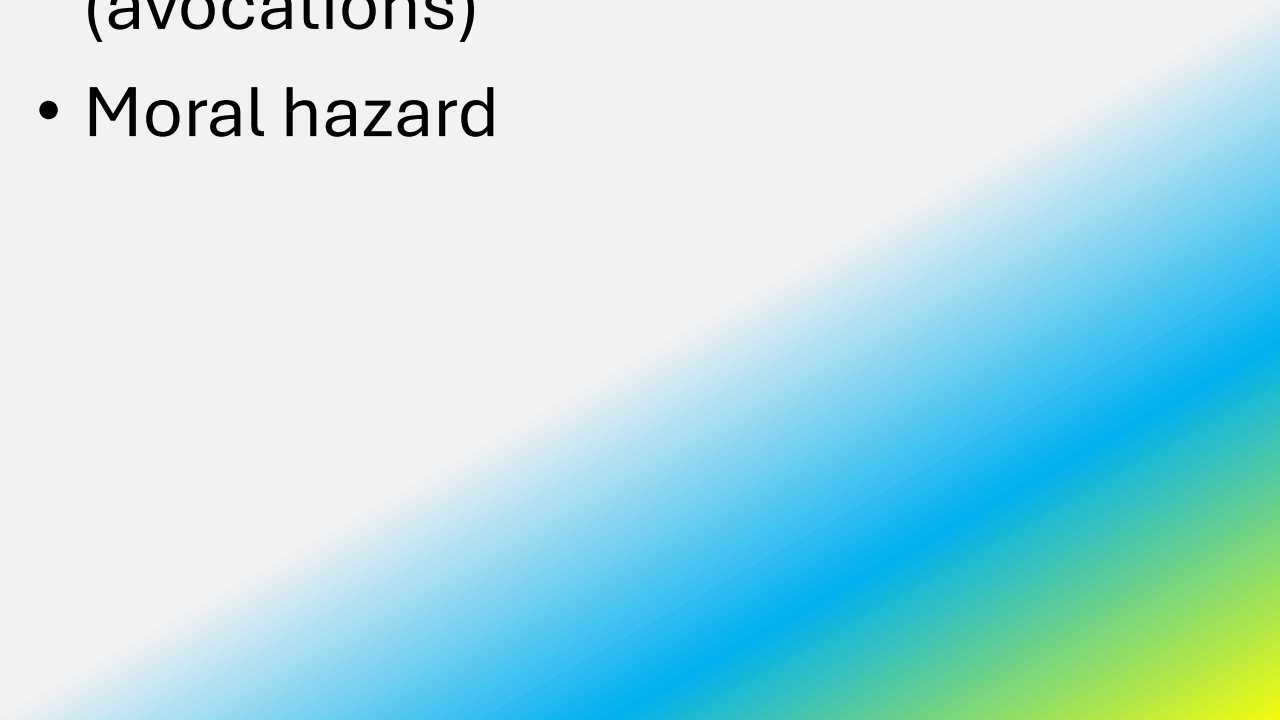
Sources of Information



- Intermediaries
- Proposal form
- Previous proposals/policies
- Medical reports
- Shared industry data
- Social media

Confidentiality

Key Risk Factors

- Age
 - Medical condition
 - Medical history
 - Family history
 - Occupation
 - Lifestyle
 - Suicide
 - Sports and hobbies (avocations)
 - Moral hazard
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Underwriting Process



- Prospecting and selling
- Capture proposal
- Compile underwriting data
- Assess and decide
- Offer terms
- Issue policy
- Claims underwriting

Reinsurance



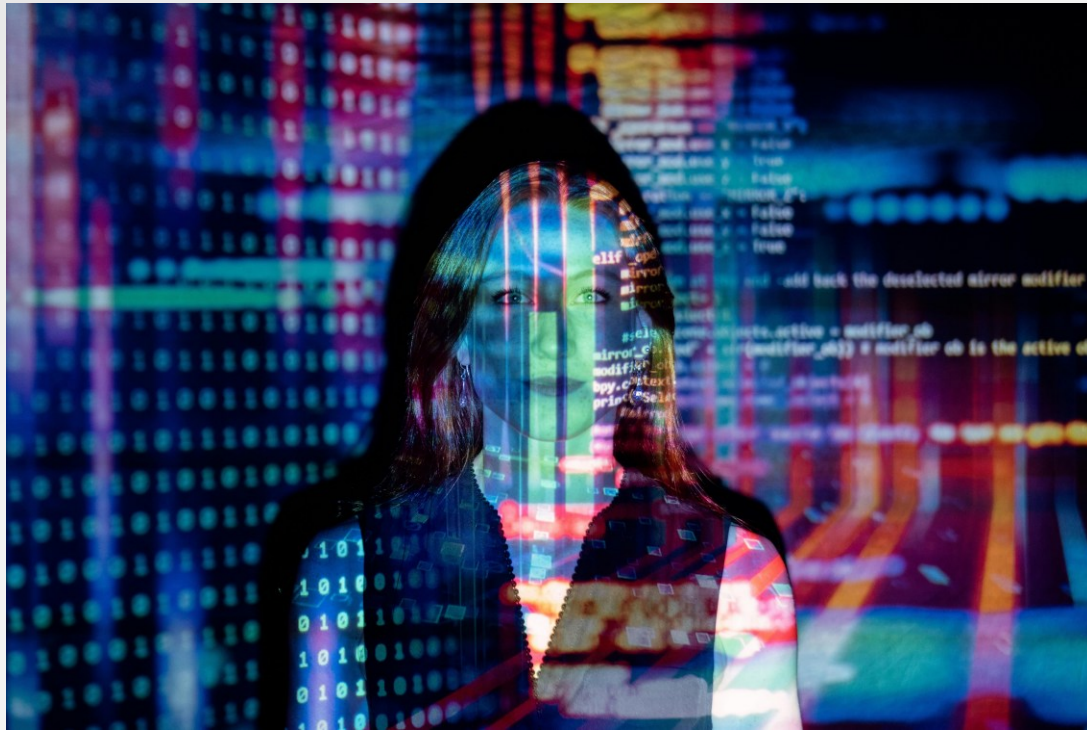
- Insuring the insurer
- Treaty reinsurance
- Facultative reinsurance
- Training services

Underwriting Decisions



- Mortality ratings
- Underwriting model
- Extra mortality loadings

Technology



- Automation
- AI
- Data analytics

What next?