

Via Email

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NAIC Educational Paper on Accelerated Underwriting in Life Insurance

Dear Working Group members,

Swiss Re appreciates the opportunity to comment on the Accelerated Underwriting Working Group's Educational Paper on Accelerated Underwriting in Life Insurance. Swiss Re is grateful for the work done by the Working Group and believes the exposed draft is a step in the right direction and properly sets the state for future discussions.

Swiss Re strongly believes that Accelerated Underwriting can help drive the availability, affordability, and accessibility of life insurance. These new methods will allow insurers to reach groups of consumers that are currently underserved and help shrink the protection gap. Without these innovations, insurers will be left to their current underwriting approaches which will keep the process long, expensive, and reliant on traditional distribution channels.

In following discussions surrounding Accelerated Underwriting, Swiss Re believes many issues are being conflated. As we previously commented in our letter dated May 7, 2021 on the definition of Accelerated Underwriting, we believe the Working Group should define and distinguish between data sets, data sources, and data scores. Each can have a separate and distinct effect on underwriting. In addition, Swiss Re strongly believes that a consistent, coordinated approach at the NAIC across the various workstreams considering Accelerated Underwriting is critical to thoughtful, efficient and effective regulation.

Lastly, Swiss Re suggests one change to the definition of Accelerated Underwriting as proposed in the Educational Paper. For the Working Group's consideration, Swiss Re believes the last sentences of the definition should read:

"The process uses data that may, but not always, include components of predicative models or machine learning algorithms to analyze the risk of an applicant. Data can include elements

of both traditional and non-traditional underwriting data that comes from both the applicant and external sources."

Our previous letter referenced the LIMRA-developed definition for the Working Group's consideration. Swiss Re believes both the LIMRA definition and the draft definition as edited in this letter accurately capture the process of Accelerated Underwriting.

Thank you for your consideration and please let us know if you have any questions.

Yours sincerely,



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