

Accelerated Underwriting (A) Working Group
Ad Hoc Drafting Subgroup
OUTLINE

Educational report that explores Accelerated Underwriting (AU) in Life Insurance and offers guidance to regulators, industry, and consumer advocates and other stakeholders.

I. Introduction

II. Procedural background of the WG and its Charge

III. What is AU and put it in context of traditional underwriting

- A. What is traditional underwriting
- B. How is AU similar and different from traditional underwriting
- C. What is an algorithm / artificial intelligence / machine learning
- D. How prevalent is AU
- E. Trends for the future

IV. Discussion of issues and recommendations

A. Input data

- 1. Traditional data
- 2. FCRA data
- 3. Nontraditional data
- 4. Discussion of bias in input data
- 5. Recommendations

B. Algorithms/ machine learning

- 1. What are they designed to do
- 2. Evolving / machine learning – pros and cons
- 3. Testing conclusions/ Back testing/ random holdouts/ algorithm assurance
- 4. Testing conclusions for unfair bias & mitigation
- 5. Recommendations

C. Transparency and Privacy

- 1. Description of issue
- 2. Existing practices/ state and federal laws
- 3. Recommendations

V. Conclusion