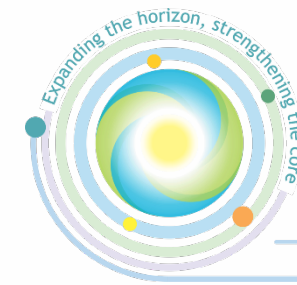




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**20th Global
Conference of Actuaries**
4th - 6th March, 2019 | Mumbai, India

InsurTech: Role of Actuaries

Sumit Ramani, FIAI, FIA, BTech (ICT)

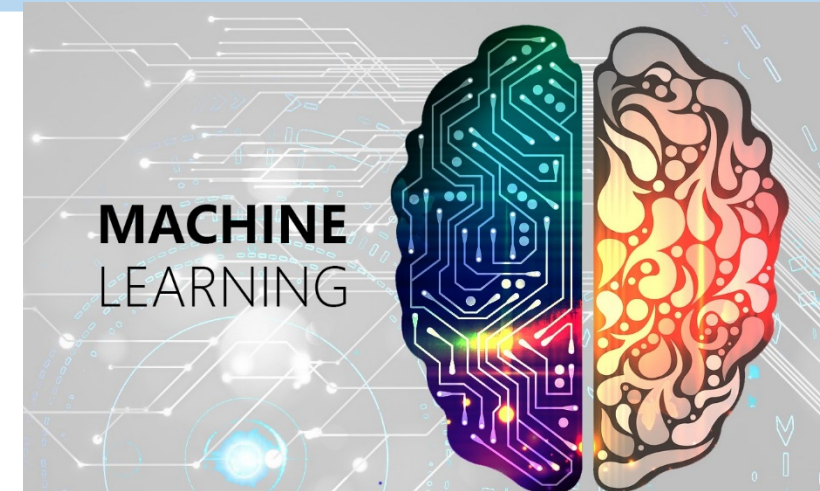
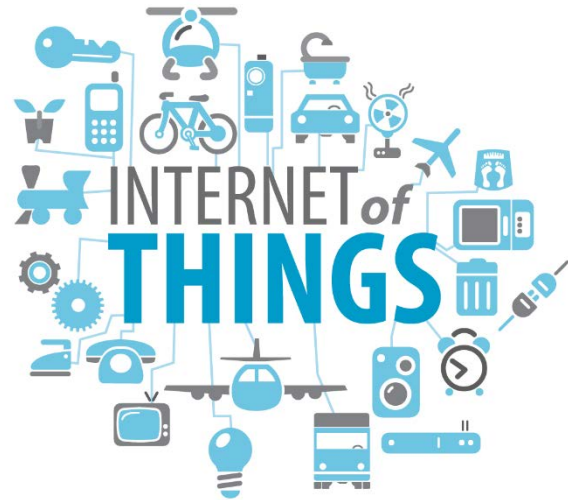
Session: P8 (Round Table)
Dated: 6 March 2019

- InsurTech - What does it mean?
- InsurTech - What does “Tech” of it entail?
- InsurTech - Is it a buzzword?
- InsurTech - Why actuaries should be amongst their first hires?
- InsurTech - Professional considerations for Actuaries
- Summary

• InsurTech - What does it mean?

- Portmanteau of “insurance” and “technology”
- Inspired by Fintech
- use of technology innovations designed to squeeze out savings and efficiency from the current insurance industry model
- Loosely, InsurTech is a *tech company* aspiring to *break into insurance industry* with an *aim to add value to insurance value chain*

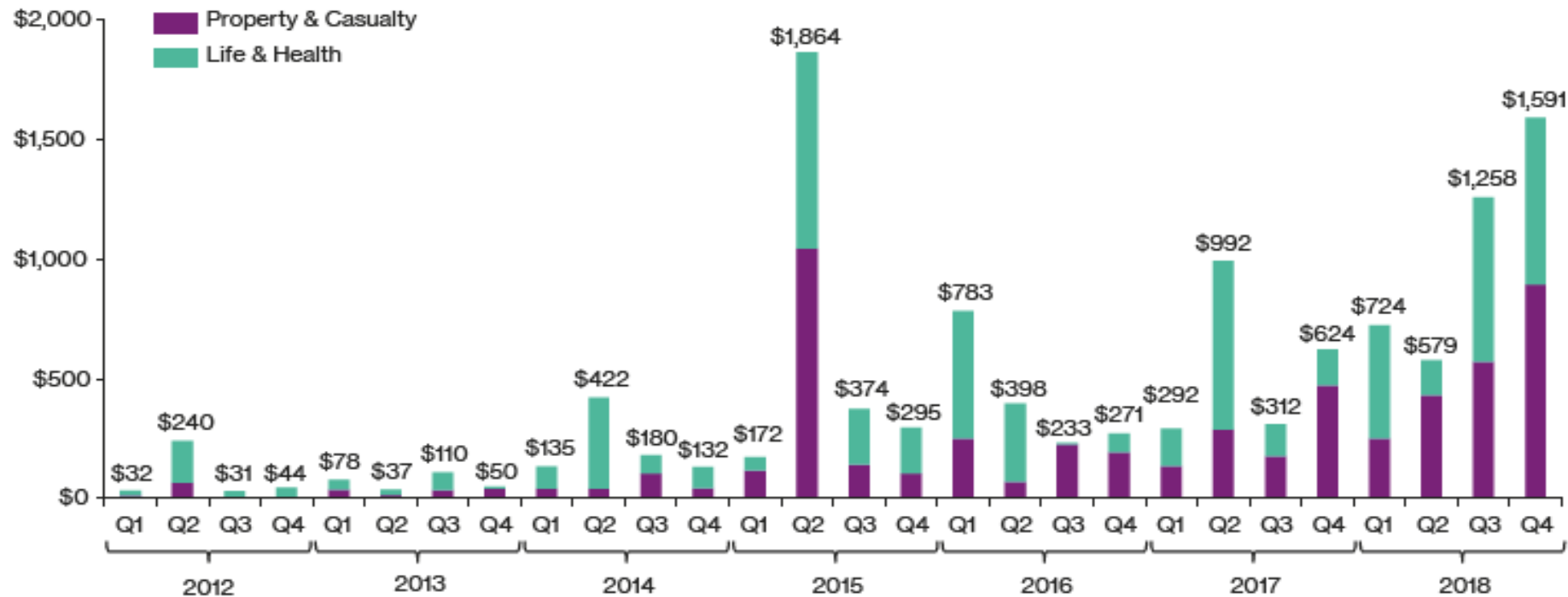
- InsurTech – What does “Tech” of it entail?



InsurTech - Is it a buzzword?

Quarterly InsurTech funding volume – all stages

(\$ in millions)



Deal Count

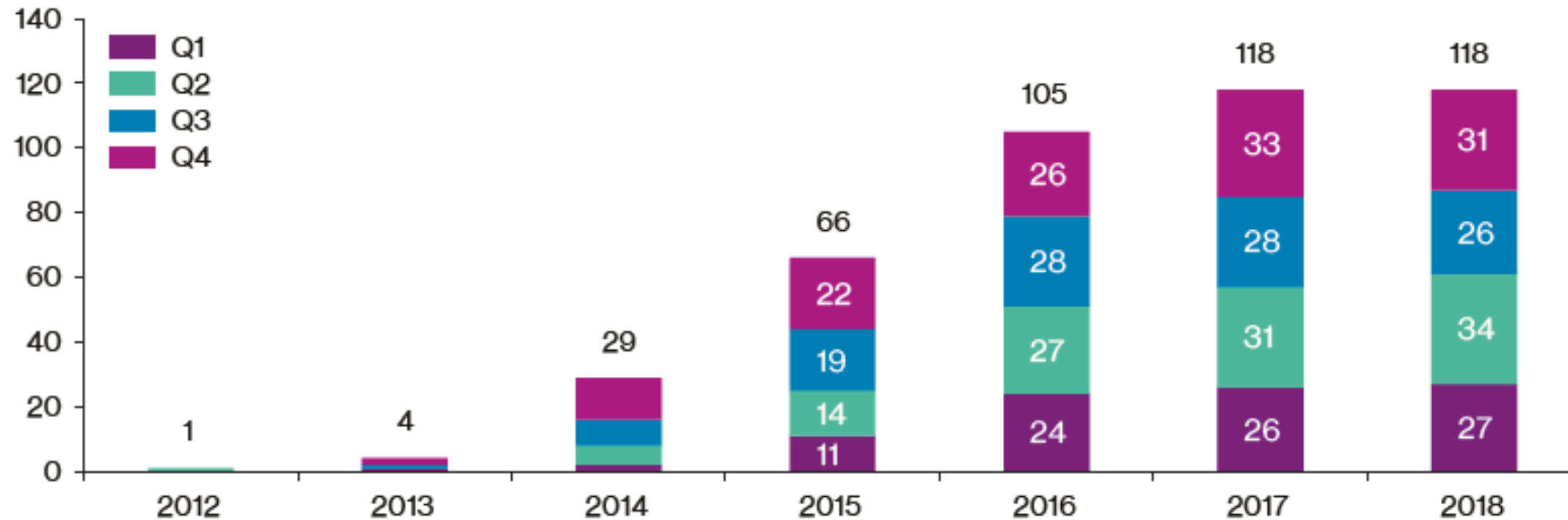
P&C:	5	3	4	4	5	4	12	9	10	7	16	8	16	14	16	20	44	18	33	29	23	33	27	42	43	44	40	41
L&H:	8	6	7	9	15	8	9	4	9	15	14	15	10	19	14	20	15	16	6	13	16	32	21	9	23	27	17	22

Source: Willis Towers Watson

Over \$10bn have been invested!

InsurTech - Is it a buzzword?

Private technology investments by (re)insurers



Source: Willis Towers Watson

(Re)insurers see value in InsurTechs

InsurTech - Is it a buzzword?



- Products
- Distribution
- Underwriting
- Claims Management
- Data Analytics
- Peer-to-Peer Insurance

InsurTechs are in every process of insurance

InsurTech - Why actuaries should be amongst their first hires?

 Health I.Q.

oscar



lyft

ROOT



DataRobot

fidentiaX
World's 1st Marketplace for Tradable Policies

InsurTech - Why actuaries should be amongst their first hires?

- Insurance domain knowledge
- Problem solving approach
- Lifelong learners
- Trained to communicate complex concepts in simpler terms
- Formidable reputation



Actuaries best placed to be “insur” of InsurTech

Innovation is **exciting** but is it ethical and legal challenges?

- Unregulated environments - e.g. Initial Coin Offerings
- Data Privacy - using data without consent
- Appropriate skills - need to learn technology
- Communication - suited for the “techies”



Breaking boundaries is great but breaking rules is not!

Comply with code of conduct:

- Competence and Care: *an appropriate level of relevant knowledge and skill*
- Compliance: *comply with all relevant legal, regulatory and professional requirements*
- Communication: *appropriate for intended audience*

When in doubt, ask!

- Advisory Group on Professionalism, Ethics & Conduct [IAI]
- Professional Support Service [IFoA]
- Senior actuaries in the profession

Rule #1: Comply Rule #2: Don't forget Rule #1

- InsurTechs are
 - are tech companies that **add value to insurance value chain**
 - are for real and here to stay
 - have impacted every process of insurance business
- Actuaries are best placed to help InsurTechs
- Professional considerations become more relevant & must be complied with



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THANK YOU

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