

Executive Roadmap to More Profitable Customer Relationships

21 September 2010

08:30 to 13:30

Hotel Ritz Four Seasons, Lisbon

SAFIRA[®] | FICO

This seminar is created for insurers offering multiple lines of business and will examine case studies in which insurance companies have achieved success through some combination of operational automation, analytics and simulation, and strategic and deployment optimization.

* Presentations will be in English

AGENDA*

08:30 - 09:00	Continental breakfast and registration
09:00 - 10:30	Operational Automation, Analytics and Simulation - case studies and discussion
10:30 - 10:45	Break
10:45 - 12:00	Optimization: Strategy Testing and Deployment – case studies and discussion
12:00 - 13:30	Lunch

VENUE

Hotel Ritz Four Seasons
Rua Rodrigo da Fonseca, 88
1099-039 Lisbon, Portugal

REGISTRATION

Registration is free of charge. Please contact Tânia Sousa:
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CASE STUDY SNAPSHOTS

AVIVA UK Health

How did they decrease average enrolment time from 22 days to 6 minutes?

After trying to grow profitably with traditional cost-cutting measures, AVIVA realized that they needed to think differently in order to reach their strategic goals of doubling volume while keeping costs constant. We will review how AVIVA's main challenges of empowering their business users, improving customer service and eliminating underwriting bottlenecks, led them to re-think not only their systems, but also their organizational structure. We will focus on how they utilised decision management to decrease their average enrolment time from 22 days to 6 minutes and their average policy change process from 15 minutes to less than 2.

Kemper/Unitrin – US

Lowered combined ratio by 8 points

When planning for a new underwriting system, Kemper had a long list of desired results, but high on that list were efficiency, automation and consistency. With hard-coded rules embedded in underwriting applications, Kemper would often get multiple underwriting referrals for the same policy – significantly slowing the decision-making process and making things more difficult for their team of brokers. We will explore how Kemper – a leading provider of personal lines property and casualty insurance in the US – transformed their COBOL-based, hard-coded set of underwriting rules into a Decision Support System that centralised rules, analytic models and even ordering of external reports. Combined with other technological improvements, Kemper was able to lower their combined ratio by 8 points in the first year of the Decision Support System.

AGIS Zorgverzekeringen

As Health Insurance in the Netherlands moved from mostly nationalized to privatised policies, AGIS Zorgverzekeringen recognized that the new business environment included not only competitive pressure around pricing and policy development, but also millions of euros in lost profits through fraudulent claim payments. As the volume of claims being driven through the system overwhelms the ability to review each of them thoroughly, AGIS needed an enhanced methodology to review their patients and providers on a regular basis. We will examine the strengths and

weaknesses of rules-based and analytically based fraud detection systems, and why AGIS felt the need to make stronger utilization of predictive analytic techniques. We will also review AGIS' initial proof of concept results that identified double the amount of fraud while reviewing less providers and patients.

Itau Seguros:

With only 25% of the Brazilian auto market covered by insurance in the early part of the decade, insurers had to balance desire for market share with greater than normal risk levels. Itau Seguros, although it was the 4th largest auto insurer, was unable to control its losses, and therefore its profit margins continued to sit well below that of smaller insurers. Itau recognized that it had to be smarter about the policies that it was writing and – even more importantly – about those that it did not want to write. We will examine how Itau used its own historical data to drive pricing models beyond risk strategies into profitability strategies. We will detail the steps that it took to build their predictive models and then diagram the strategies that they implemented to realize 20% in net profits and a 4.5% decrease in loss ratio.

PRESENTERS' DETAILS

Pedro Penedo, Partner, SAFIRA

Pedro is one of SAFIRA's founders and a member of the board. Currently manages strategic client accounts and innovative lines of business, such as Decision Management and the partnership with FICO. Pedro has over 15 years of experience in designing and implementing IT solutions for the Financial and Insurance markets, and during that time he has helped several clients implement extremely successful strategic solutions in this market space. Pedro has a BSc in Software Engineering from Instituto Superior Técnico of Lisbon.

Scott Horwitz, Insurance Senior Director EMEA, FICO

Scott Horwitz has nearly 20 years experience in analytics and decision management at FICO. His focus is working with companies to generate analytic and decision science solutions for the financial services and insurance industries. During the 1990's, Scott led the research for the first pooled property and casualty insurance underwriting risk scores using credit data. Scott has worked with insurance companies in the UK, Belgium, Germany, Canada, Brazil, as well as the US. Currently is focused on bringing the full capabilities of decision management to the Insurance industry. Scott has a B.S. in Mathematical Sciences and a M.S. in Operations Research from Stanford University.

Larry Jacobson, Insurance Consulting Engineer EMEA, FICO

Larry is an engineer with over 15 years experience in roles ranging from programmer to chief architect. His multifaceted expertise covers life, health and general insurance industries. Larry joined FICO to ensure clients such as AVIVA Group, Admiral and RSA receive insurance solutions aligned with their business and technical requirements. Larry Jacobson qualified in engineering in the eighties.

ABOUT SAFIRA

SAFIRA, founded in 1997 with headquarters in Portugal, and an office in Poland, develops Information Technology Solutions and offers IT Management services to leading Financial, Insurance and Telco & Media companies. The company reached an outstanding reputation and acknowledgement in sophisticated and high demanding market segments through its focus on excellence of service, customer satisfaction, and innovative solutions that produce tangible business results.

SAFIRA employs a team of more than 140 IT professionals, holding more than 70 technological and Project Management industry renowned certifications. For the third consecutive year, SAFIRA was awarded one of the "Best Place to Work" according to Heidrick & Struggles. For more information visit www.safira.pt

ABOUT FICO

FICO (NYSE:FICO) transforms business by making every decision count. FICO's Decision Management solutions combine trusted advice, world-class analytics and innovative applications to give organizations the power to automate, improve and connect decisions across their business.

Clients in 80 countries work with FICO to increase customer loyalty and profitability, cut fraud losses, manage credit risk, meet regulatory and competitive demands, and rapidly build market share.

FICO also helps millions of individuals manage their credit health through the www.myFICO.com website. For more information visit www.fico.com