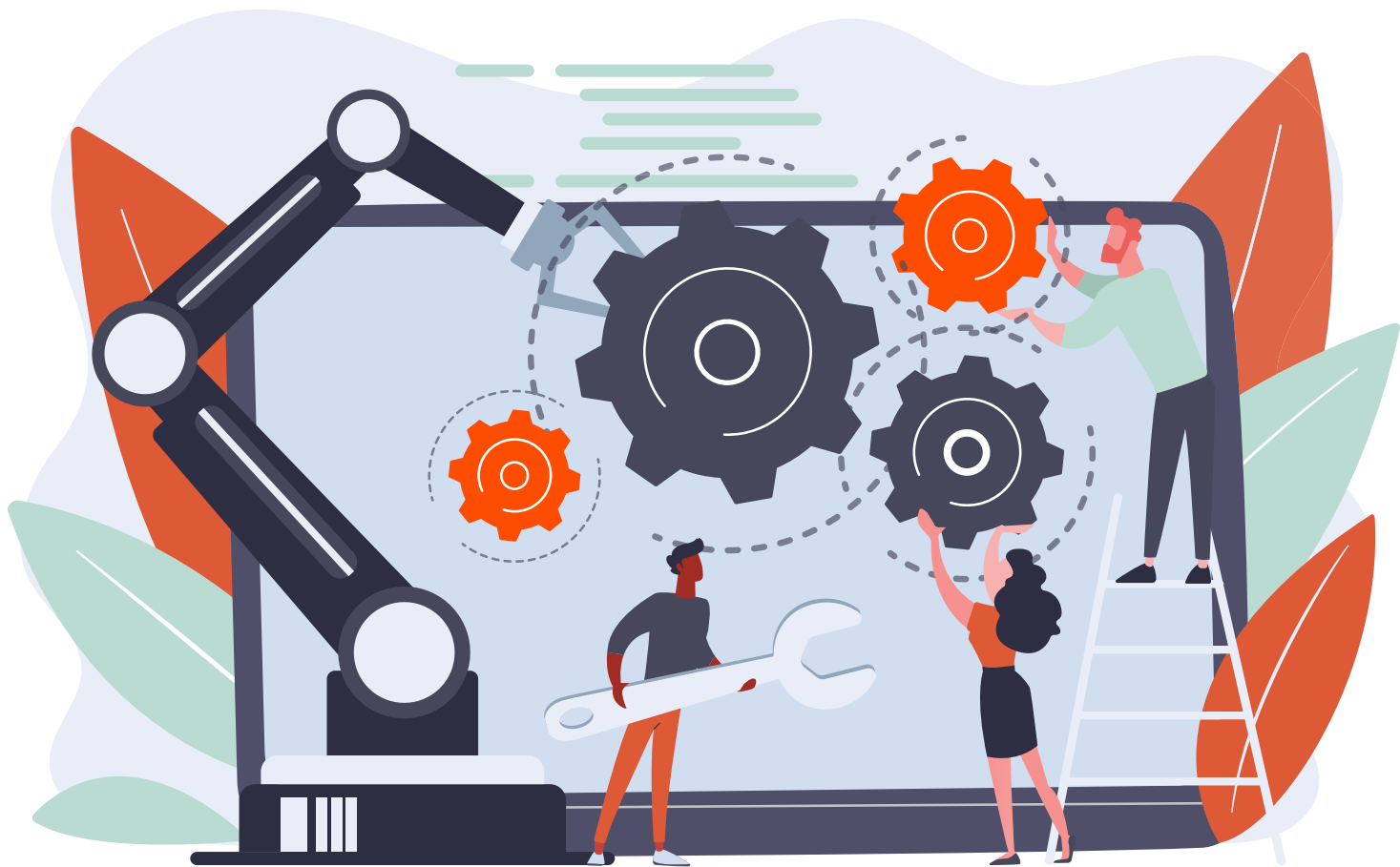


A New Framework for Proactive Management

A gameplan for living with your policies



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For banks, broker-dealers, and other financial institutions, life insurance is a valuable tool in the financial, wealth, and protection planning offered to their clients. **As an asset class, though, life insurance is undermanaged and undermonetized.**

The reasons are straightforward, but difficult to solve. Information needed to track performance is fragmented and incomplete. Products are too nuanced and too complex for easy client conversations. There are too many policies, making it hard to know where to start. For some financial institutions, it's just not a big enough part of the business.

Individual policies, once sold, are often neglected, and the policy's original objectives are not monitored to ongoing client needs. This creates a problem at the individual policy—or micro—level.

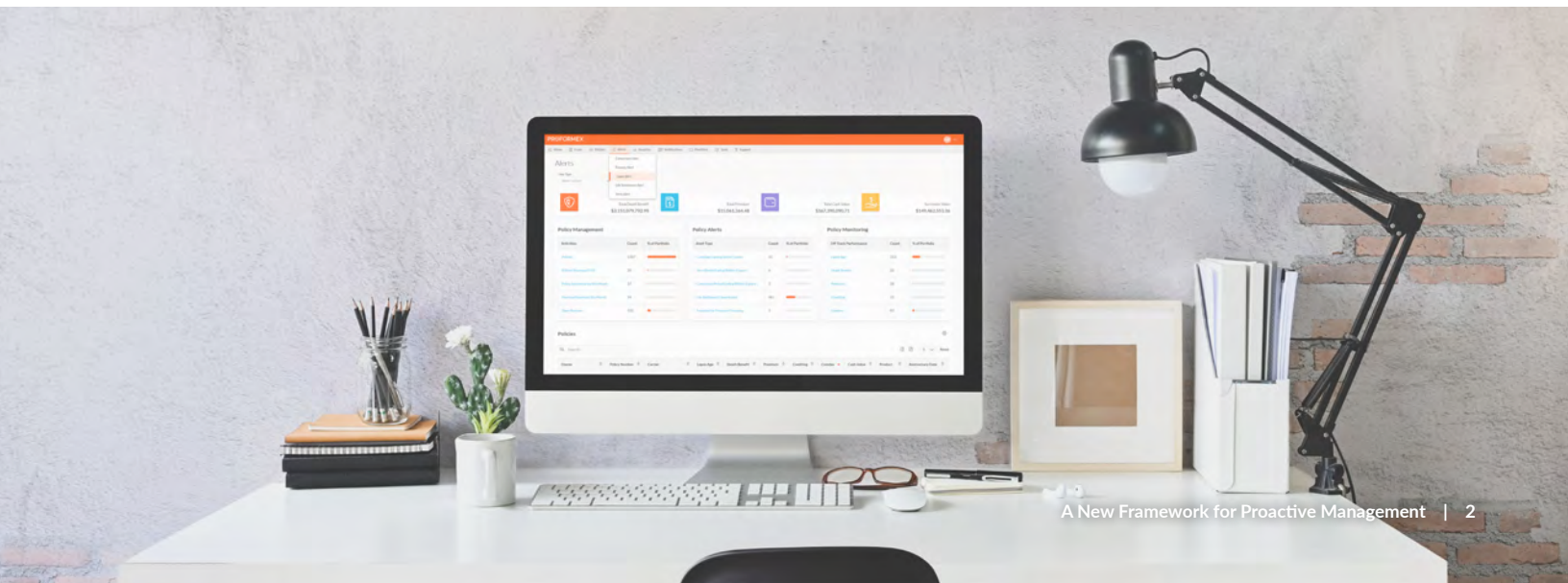
In the macro, though, the policies an institution has in force are neither managed nor monetized

like other financial instruments. Historically, the information, technology, and solutions available have failed to help institutions include life insurance in the comprehensive planning conversations ongoing with clients.

Yet, these books of business—with thousands to hundreds of thousands of policies—represent billions in client assets, billions in future AUM, and billions in potential value for financial institutions.

What if there was a strategy to connect financial institutions and their teams to the data, insights, and client engagement tools needed to create value from this information, monetize new opportunities, and reduce risk?

Well, that's why we're here.



The Foundation is Data Access and Visibility

I'm a big movie fan with a soft spot for romantic comedies. Bear with me a moment.

In the 2005 movie Hitch, there's a scene where Will Smith takes Eva Mendes to Ellis Island. They tour the island, absorbing the generations of history that have passed through this one location. When they stop to look through names in a register book, Will says to Eva: "You can't really know where you're going, until you know where you've been."

In the movie, their moment immediately unravels. But, while Hitch might not be the best movie, it's both a guilty pleasure and applicable.

To maximize the value of the existing life insurance business and realize real gains—from improved client outcomes to enhanced wealth protection strategies to protected future AUM—then everything starts with data access and visibility.

To know where the business is going, it's necessary to know what has been sold.

The insurance industry doesn't make this easy. Acord, DTCC, POV, PVF, COM, FAR, statements, illustrations, alternate illustrations. This is a sample of formats and sources attached to a single policy. Plus, critical policy information might live in many locations—carriers, distributors, internal systems, filing cabinets.

Data is fragmented. It's hard to organize. It's messy to create a consolidated picture of each policy. Policies are also dynamic, with values changing due to owner, market, and policy-specific behaviors.

Some pose a risk of lapsing. For others, performance is off-track versus benchmarks. Many could be replaced to create better value for their owners.

Inside the book is risk and opportunity. There's risk to client relationships and potentially the business's reputation. But there are also opportunities that could be worth millions (to many millions) in improved client value and top line revenue.

Capturing this value starts with data access and visibility.





Actionable Insights and Data Intelligence to Find and Prioritize

Information alone only gets you so far. To drive meaningful results, information must be paired with action.

Outcomes improve when client financial needs are holistically met. This means wealth protection strategies, like insurance, are critical in addition to accumulation approaches. Time is finite, though, and we're all busy. As a result, insurance gets sidelined for other discussions.

Information must be actionable, intelligent, and simplified for financial institutions to find, prioritize, and capitalize on the needs and opportunities across their full inforce business.

- **What policies are at risk of lapsing?**
- **What policy anniversaries are upcoming?**
- **Are these policies underperforming? Performing to plan? Is there a plan?**
- **Do I have term conversions upcoming? Or coverage period end dates?**
- **Do I have policies underperforming vs. benchmarks? Or with critical ratios teetering?**

These questions all create reasons for meaningful touch points with clients and generate gains for the business. Maybe action isn't critical just yet, but maybe an early conversation with the client is warranted.

Intelligent data keeps your teams focused on the right policies at the right time. Actionable insights drive movement toward results. And simplified information makes it easier for life insurance to become a part of all other planning conversations. The outcome is a dual benefit: Better management of policy liabilities and reduced portfolio risk with more opportunities to generate new revenue and client savings across the full business.

Being Proactive Means Being Connected

First, data needs to be accessible and visible. Second, that information needs to be actionable and intelligent.

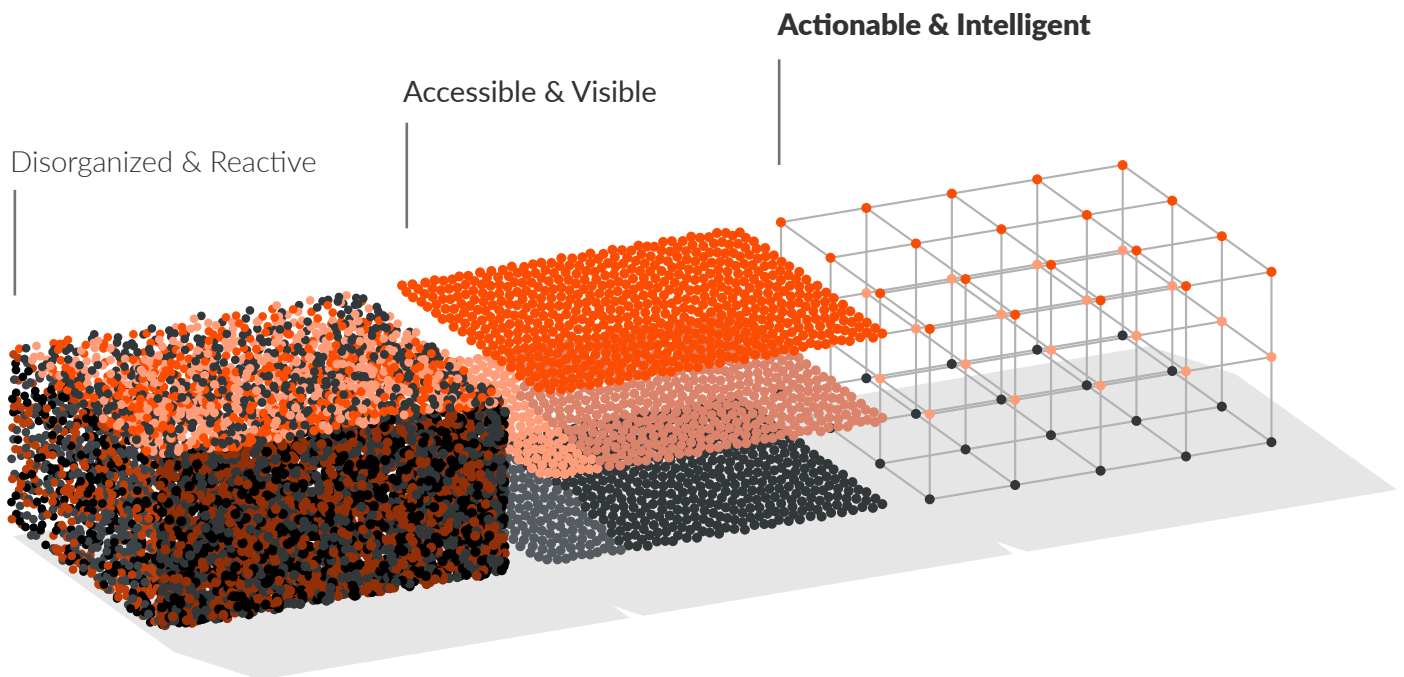
Then, that information needs to reach the right teams at the right time.

Insurance is notoriously complex. Whether for a new case design or to review an existing policy, it often requires multiple parties interacting across multiple companies. Home office teams, internal regional managers, insurance specialists, external distributors, advisors, and other third-party collaborators all play critical roles in maximizing lifetime value of inforce data.

Today, though, interactions with these parties occur ad hoc and are accomplished via email, where valuable and sensitive information is shared openly. Actions are reactionary and disconnected, not built to scale.

The ideal solution occurs when internal teams and external parties (as authorized by the financial institutions) can access information proactively on how policies are performing both individually and in the aggregate. These teams need access to intelligent, actionable, and simplified insights to push information to advisors to drive client engagement. For institutions with thousands of policies, these interactions need to be systematized as part of day-to-day operations.

The result is a simplified process creating more interactions between teams, more opportunities for advisor and client engagement, and more value for the business.





Simplify Engagement with the Right Tools

Here's what we know: Insurance products are complex. Advisor time is limited. And most insurance reporting prefers confusion over clarity.

We also know the end goal is to create value for clients and policyowners and the overall business. This means more and simpler client-level interactions will yield more value than infrequent and more complex discussions. Thankfully, a policy's lifecycle creates opportunities for meaningful client engagement.

A policy performing as desired is a moment to share positive news. An upcoming conversion or coverage event creates a chance to plan for the future. Policy performance is off track but not dire means being ahead of future risk and a moment to safeguard the relationship.

The result could be an upsell or a cross-sell. It could open the discussion into broader needs. Maybe the response is simply, "Thank you for thinking of me." It's important to be positioned for these engagements. It's also critical to have the right tools to simplify the conversations—client-friendly reporting, policy performance summaries and insights, simplified policy reviews.

The goal is more—and easier conversations—leading to better overall outcomes.

Conclusion

Generating value from your inforce business—whether hundreds of policies or hundreds of thousands of policies—is a unique challenge. Individual policies need monitored to individual client needs. Meanwhile, in the aggregate, the inforce business represents a rich asset for financial institutions.

Today, this asset is neither managed nor monetized. The result is billions in lost asset value and missed opportunities for new revenues for institutions.

Being positioned to capture this value represents a potentially transformational shift, and it's one that requires the right framework:

- **Visibility and accessibility of inforce data**
- **Actionable insights and intelligence**
- **Secure and scalable connectivity across teams**
- **Simplified, more frequent client engagement**

Like with any transformation, though, the benefits to those who act—clients, advisors, financial institutions—are nearly limitless.



About Proformex

At Proformex, we're reimagining how the industry thinks about protection assets. Your inforce data is valuable. We connect you to it. The result is an end-to-end, digital solution to manage life and annuities. We help you maximize potential from your inforce business—increasing the lifetime value of your client relationships, mitigating policy and reputational risk, and creating new opportunities for revenue growth.

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Looking to learn more? [Click here to book a meeting with an expert.](#)