

Newsletter



By Nordic
Markets

May 2019



Value Added Service

Reducing Sick Leave with Rehab Ex Gratia

Dear friends,

The Spring brings more sun and energy to spend at work and elsewhere - most likely to the benefit of our mutual ambition to improve our day-to-day business.

Our on-line juvenile medical underwriting manual PRIO celebrates its first 10 years in the market this May. It is also very interesting to see how Child insurance is starting to spread to other markets. Read more about the product trend worldwide in this edition along with other news including our new Rehab concept.

We are also, step by step, transitioning workflows to digital solutions. We have discussed digitalization with many of you and for some, we have finalized digital projects. In this newsletter, our Chief Medical Underwriter Yvonne Etholén shares her view on recent transformations.

I wish you all a very nice summer and look forward to meeting with you in the months going forward, especially at our yearly Nordic Life Insurance Conference on October 11th.

Yours sincerely,

Svein-Børre Solvang
CEO SCOR Sweden Re



All over the Nordic region we see alarms going off regarding the increase in sick leave due to stress related mental disorders. This is an ongoing public health problem and statistics from Sweden show the incidence has more than doubled since 2010 ^[1].

Being stakeholders in public health, the life insurance companies have reacted to this trend in many ways. On the claims side, burnout clauses were introduced to mitigate risk, and the premium side saw plenty of new business coming from rehab insurance and Medex products. A less common concept is offering rehab on an ex gratia basis: helping policyholders on sick leave in getting back to work, voluntary and free of charge.

With our new service "Rehab ex gratia", SCOR Sweden Re has partnered up with a rehabilitation provider specialised in psychotherapy and psychosomatic treatment. Our own statistics show 70% of our disability claims are based on mental disorders, most of them being stress related. So even with exhaustion preventing initiatives from employers, and therapy sessions from Medex products, we believe there is much still to

be done on this front. Our service applies to reinsured portfolios of disability insurance and is accurately aimed at those policy holders falling through the safety net of potential preventions and ending up with a long-term sick leave due to a psychological disorder.

Our experience analyses show that the cost of rehabilitating an insured is often considerably lower than the claim reserves being held for the disability cover. Thus, for our quota share clients, we will happily take the costs of rehabilitating the insureds we share, to free up our joint reserves. The successful healthy recovery of a policy holder will not only benefit the insured, but also the employer, our reinsurance client, our rehab partner, ourselves, and in the long run even the public health.

In this win-win-win-win-win-win chain, the only risk is paying for treatments that were unsuccessful or unnecessary. And since this potential loss is wholly carried by ourselves, it is a risk we are happy to take.

If you have any questions about this new service, please contact us at SCOR Sweden Re.

[1] <https://openarchive.ki.se/xmlui/handle/10616/46048>

Product Trend

Protecting What is Precious – Child Insurance Globally

Child insurance is a very common product in the Nordics, whereas the Finnish market stands out with more focus on Medex. What does juvenile protection look like outside the Nordic markets? Having insurance protection for their children is crucial for many parents. Yet, the juvenile insurance products can vary significantly from one market to another. Often, social security systems, regulation as well as cultural differences can have a substantial impact on the product characteristics.

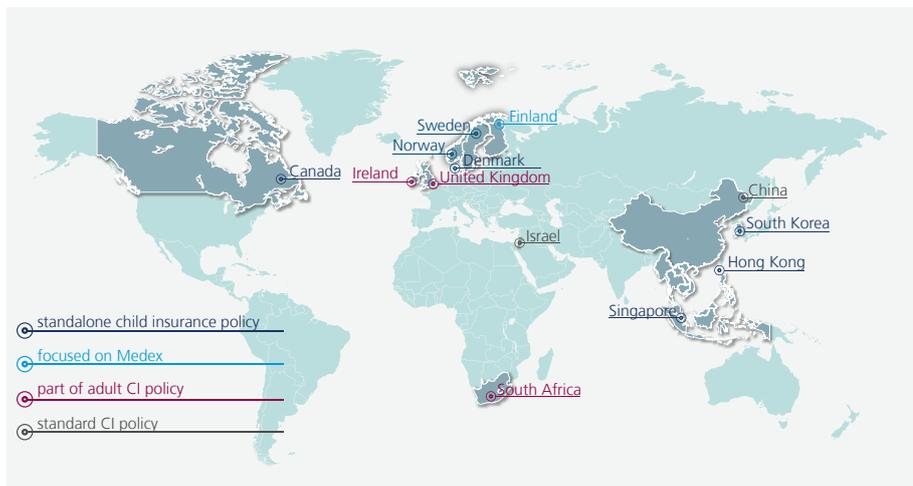
The Swedish product includes a lump sum payment for certain diagnoses which is similar to a critical illness (CI) protection. In other countries though, the child product is pure critical illness protection. In the UK, Ireland and South Africa, the child is automatically included in an adult CI policy. In China and Israel, a standard CI policy is available with a low minimum age and no or few specific conditions. This standard CI policy is underwritten by a simplified process.

Canada, Hong Kong, Korea, Singapore and other Southeast Asian countries have a special standalone juvenile product. The South Korean product covers, in addition to CI, total and permanent disablement. There are

even a large range of optional add-ons such as newborn protection, accidental benefits, cancer treatment and diagnosis benefits as well as medical reimbursement. The product can be taken out from conception and has premiums and benefits guaranteed up to the 100th birthday. For these standalone products, underwriting is especially important. In most cases, the insurance company designs a medical and genetic questionnaire for the parents and grandparents of the child to complete. It may be difficult and intensely emotional for parents to run medical screening tests on their child.

The Swedish child insurance product continues to be important in the Swedish market. According to Svensk Försäkring, the number of individual child insurance policies in Sweden is continuously increasing over the years. Since 2006, the number of individual child insurance policies has increased by 15%, going up from 1.3 million policies to 1.5 million policies in 2018.

If you have any questions about child insurance, please contact us at SCOR Sweden Re.



Facts

PRIO Highlights



+500 medical pages



Continuously updated in collaboration with our users



Used daily by connected clients



Important tool for medical underwriting of Child Insurance in the Nordic markets

Milestone



PRIO

SCOR Sweden Re is proud to provide 10 years of underwriting support for child insurance, an important product in the Nordic region.

Access the link to PRIO [here](#)

People at SCOR Sweden Re

Best Practice Transformation from Paper Handling to Digital Workflows



"Looking back, there are so many exciting changes to my profession."

Yvonne Etholen, SCOR Sweden Re's Chief Medical Underwriter, started at the company in 2002. In the past, Yvonne remembers that the doctors were involved to a much greater extent and their advice was often given on a recorded tape that the medical underwriters listened through to take notes. "Today, I have seen how the medical underwriting tools have gone from a thin paper format to an advanced and comprehensive digitalised work tool", she states.

Workflows and new legislation in many areas are some other examples affecting Yvonne's professional role. Additionally, new products as well as the actual judgements of medical conditions have changed over time. "New diseases are discovered and newer treatments for existing conditions impact our underwriting decisions", Yvonne observes.

Going forward, Yvonne believes there will be room to introduce new products on the market and to adapt to individual needs with increasing possibilities to analyse risk factors as well as to collect information over digital channels.

"Transforming work practices and achieving best practices in case handling are the most exciting parts of my job", Yvonne shares. "I think I have the most interesting job in the whole company".

Client Training

Family Protection Workshop

SCOR will be hosting an International Campus workshop in Paris from 4 to 6 June 2019 to help client attendees understand how to develop family protection products from idea generation to the business plan. Any person involved in product development including



actuaries, product / claims managers and underwriters with at least 5 years of experience are eligible to attend. Sessions will be held in English.

Please contact us at SCOR Sweden Re for more details.

Publications



ReNews Magazine

This fully digital magazine covers the wide range of topics presented at SCOR Sweden

Re's 2018 Annual Conference focused on Health, hosted at Münchenbryggeriet in Stockholm last October. *Articles are primarily written in Swedish with some parts in English.*



Immunotherapy: Winning the War Against Cancer

Today, major breakthroughs in the long-term

cure of patients with recurrent or metastatic disease are now possible with the use of immunotherapy, a revolutionary type of cancer treatment. Learn more about the potential impact on life insurance claims and underwriting in this SCOR inFORM publication.



2018 Activity & CSR Report

The 2018 Activity & CSR Report highlights SCOR's major accomplishments

across its businesses, its environmental and social impact, and its governance principles. Our industry has a leading role to play in economic and societal development and our CSR agenda has become an integral part of SCOR's identity and culture.

Click on the images above to view the SCOR publications