

CASE STUDY

About RGA's Strategic Growth Team

At the heart of this effort was RGA's Strategic Growth team, which was formed in 2022 to create focus and formality around our clients' large, complex growth initiatives. The team's large-scale efforts center on addressing clients' trickiest pain points and supporting their growth goals in new and creative ways. While the team pursues complex client work, their approach is rather simple: 1) Become deeply familiar with clients' strategies and growth goals. 2) Architect a blueprint for achieving that growth. 3) Assemble the right cross-functional team of RGA experts, insurtechs, and other external partners. 4) Work side-by-side with the client team to implement and launch a solution, then monitor and recalibrate to optimize success.



Expanding Offerings and Achieving Growth by Assembling the Right Partners

As the life insurance industry continues to evolve, carriers must adapt to changing customer needs and improve operational efficiency to stay competitive. Strategic partnerships play a crucial role in bridging expertise gaps and enabling insurers to expand their offerings.

An example underscoring the power of collaboration involves, RGA helping one of the nation's largest property and casualty carriers build a robust life insurance infrastructure that tapped into a market offering ample opportunity. The goal was to enable this distribution powerhouse to scale rapidly while retaining its loyal customer base.

About Aura Next

RGA's e-underwriting solution, Aura Next, is comprised of a suite of underwriting tools and is a proven decision-management solution for life underwriting and risk management. Aura Next has been a global leader in automated underwriting for nearly 20 years, and more than 50 clients in 18 countries are powering their business with it to process more than 5 million applications annually.

The Challenge

In late 2019, two unlikely partners found themselves at the crossroads of tradition and innovation in the ever-evolving world of insurance. A leading P&C insurance company sought to expand into the life market to make insurance coverage more accessible to the middle market. While the carrier excelled at meeting their customers' P&C needs, those same individuals had to turn elsewhere for life coverage, risking attrition to insurers offering a more comprehensive product suite.

Recognizing the opportunity to capture market share and strengthen existing customer relationships, the carrier aimed to integrate life insurance into its offerings. With a world-class distribution network, a loyal customer base, and a proven track record in scaling insurance businesses, they were well-prepared for the challenge. What they lacked, however, was the infrastructure required to effectively develop and implement life insurance products.

To bridge this gap, they sought a reinsurance partner with deep expertise in pricing and underwriting life business – a partner that could help address key challenges, introduce the right external solution providers, and offer a scalable, long-term solution. That's where RGA came in.

The RGA Solution

RGA secured the RFP by demonstrating its deep-rooted expertise in product development, mortality assessment, and cutting-edge technology integration. This led to a collaboration that combined RGA's proficiency and vision with the P&C's consumer-centric approach. Central to this effort was Aura Next, RGA's premier e-underwriting solution, which created a seamless and unique customer experience using automation. These elements combined to form a team of technical specialists focused on developing an industry-leading process. The results of this innovative approach positioned the company as a future front runner in the life insurance sector.

Key Milestones

- **Design and Launch:**
Collaboratively, they designed, priced, and filed a term life product marketed directly to consumers through their branded website.
- **Underwriting and Claims:**
RGA experts meticulously built out both the underwriting and claims processes.
- **Continuous Improvement:**
Even after implementation, RGA business experts continuously review and optimize the rules to improve pass-through rates.

Initial Launch and Iteration

By leveraging the right teams and tools, the RGA Strategic Growth team facilitated a successful product launch for the company in early 2022. Shortly afterward, post-launch monitoring revealed a high decline rate, prompting a strategic retooling that is currently being used today. This agile response demonstrates RGA's commitment to continuous improvement and client success.

Expansion and Growth

Following a successful pilot with a small group of consumers, the product expanded into more markets and states. RGA's ongoing support includes continuous monitoring, recommending underwriting rule adjustments, and ensuring sustained product success.

Initial results have shown remarkable growth trajectory, attributed to both increased marketing investment, a second product series launch with more competitive pricing, and RGA's innovations to non-fluid, non-traditional underwriting. Key milestones include:

- 4x growth by Q2 2023
- Doubled again by Q2 2024
- Nearly tripled policy count (placed cases) by year end

In April 2024, AURA partnered with the company to refine underwriting rules, aiming to further reduce declines – and they continue to refine these rules on an ongoing basis.

"Working in partnership with RGA, this P&C provider was able to quickly and cost effectively operationalize their new life company. Leveraging our product, pricing, underwriting and automation expertise helped them to de-risk entry into a new market and quickly build a foundation that will help support their unique needs and help create competitive advantage for years to come."



Scott Grandmont
VP, Strategic Underwriting
Initiatives

The product's potential remains largely untapped. With expanded marketing and an increasing client base, significant growth is anticipated. Additional plans include more light-touch underwriting to reduce the need for fluids, minimize human underwriting involvement, and accommodate slightly impaired cases.

Partner with RGA to Achieve Your Growth Goals

Equipped with RGA's leading capabilities, expertise, digital technology ecosystem, and network of proven third-party solution providers, the RGA Strategic Growth team partners with industry leaders to deliver customized, end-to-end solutions. Whether addressing growth targets or pain points, our approach begins with a deep understanding of each client's needs and continues through implementation, testing, and measurable success. And because we share the risk through reinsurance, we're truly in this together.

Learn more about how RGA's Strategic Growth team can help you tackle your organization's most complex growth initiatives. Contact Michelle Benz at (636) 736.3182 or Michelle.Benz@rgare.com.

