

MAGOCORO

THE CHALLENGE

A Small Amount and Short-Term Insurance Company (SSIC) is allowed to sell limited coverage amounts and one-year term products, providing valuable protection to consumers. In 2010 Magocoro, a leading SSIC, developed a simple but potentially profitable concept to reach the Japanese short-term market. Magocoro believed that term life and hospital cash products would sell well if they were priced correctly, offered online (both directly and through an agent portal) and underwritten quickly. The keys to profitability would be implementation of an efficient straight-through processing system that included automated underwriting, and a rule set that would produce good decisions with a low level of risk.

THE SOLUTION

Magocoro selected RGA's AURA Hosted service to automate underwriting within its online system, and the CEO outlined the sales and underwriting process the company wanted to create. Magocoro's technology vendor was in charge of implementing the system, with the help of small teams from Magocoro and AURA.

The implementation teams focused on using the RGA Japanese underwriting rule set effectively to make certain that it could provide high auto-acceptance rates without risking higher than average mortality results. Magocoro adopted RGA's e-underwriting rules with no customization, as well as its underwriting guidelines, to take advantage of RGA's underwriting expertise. And because Magocoro chose the hosted solution, the IT integration was cost-effective.

With a redesigned website to support a user-friendly experience and decisions enabled by AURA, the new product launch was a success.

Magocoro realized measurable benefits with AURA Hosted:

- Improvement in accuracy and completeness of applications
- 75-80% auto-acceptance rate
- Inexpensive implementation
- Improved service for customers, with an easier application process
- Positive feedback from agents using the agency portal

