

## Data pool for legal protection insurance

### Analyses with vision

The business of legal protection insurance is under pressure. Low interest rates and falling investment incomes are a burden to the business. The same holds for Solvency II's solvency capital requirements. Underwriting comes into focus. The statistics of single companies are often not significant enough to assess actuarial risks.

Meyerthole Siems Kohlruss has operated a data pool for legal protection insurance since 2014. Individual contracts of various companies are collated and evaluated using actuarial standards. The resulting statistics are comparable to those of market leaders.

Currently the pool embraces eight insurers with a market share of more than 25 %.

### Detect risks early, seize opportunities quickly

- › Improvement of data quality: Data of participating companies is subjected to plausibility checking – a high-quality validation that helps to detect errors in time.
- › Increasing statistical significance: A distinction of risk groups and risk categories in legal protection insurance is very delicate. The extensive data base of the pool allows a reliable assessment of actuarial risks.
- › An extension to the statistics of the German Insurance Association (GDV): The GDV supplies its members only with basic information. The pool's evaluation tool takes the GDV's statistics as a foundation. In addition, it offers an extensive spectrum of analyses and flexible options of evaluation.
- › Analysis of distribution channels: The comparison between results of different distribution channels – for instance related to claims experience, cancellation and new contracts – offers information on its efficiency.
- › Mediation: Do mediation rates reflect the required reduction of claims indicators? There are various options of evaluation offering the opportunity to assess various aspects of risks in an adequate way.
- › New horizons: Data analyses, for instance very regional differentiation, duration of absence of claims, age groups etc., offer new possibilities for product development and pricing.



## Further benefits

- › Companies got access to well-structured pool data for their own analyses. Additionally, companies are supplied with our software tool 'RS-Analyzer'.
- › Anonymized benchmarking of various indicators – for example claims frequency, cancellation rate – delivers a significant market comparison.
- › Extensive comparison between statistics of the pool vs. GDV data: GDV risk premium recommendations are integrated.
- › Regular opportunities for exchange with other managers and specialists who participate in the data pool.

## References

A data pool for private lines was established in the German market in 2002; in 2008 we expanded our activities to corporate customers and in 2010 we set up the first data pool in Austria. A total of 30 insurers deliver their data to our pools.

Our high standards regarding data security requirements and integrity are certified by DEKRA

"ISO 27001:2013".

We are happy to put you in touch with the participants.

## Contact

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