



SPECIALTY INSURER

CASE STUDY

A new global specialty insurer expected several high-volume contracts to renew, even as it was rapidly growing its North America business. Its CAT modeling unit sought to enhance modeling capacity for a high volume of renewals, as well as for rapidly expanding business lines. Since renewal work must be completed on rigid schedules, time was of the essence.

The insurer's CAT modeling requirements included:

Evaluation and analysis of portfolio perils and risk

Industry standardization

Prediction of loss exposures

Effective risk and coverage analysis against stated perils

Assumptions on competitive pricing



OUR APPROACH

Process automation was required at multiple levels of the modeling lifecycle, especially in financial modeling. To complement the insurer's own CAT modeling resources, we brought in members of the Xceedance CAT modeling, technology, and client-management teams to reduce modeling time and effort.

We incorporated data warehousing technologies for better quality control and data governance — and increased the frequency and accuracy of model runs. The results of those models allowed the insurer to better estimate its loss-reserving requirements and optimize its business portfolio.

Key data characteristics included:

- › Information about on-site locations and geocoding data at multiple levels (e.g., street address, postal code, county/CRESTA zone)
- › Information on physical characteristics of property exposures (e.g., construction, occupation, occupancy, year built, number of stories, number of employees)
- › Information on the financial terms of the insurance coverage (e.g., coverage value, limits, deductibles)



SUCCESS METRICS

For the insurer to meaningfully assess the outcomes of the project, we applied these evaluative indicators to the project:



Identification of redundant steps



Initiation of the modeling tool in Excel at little to no cost



Elimination of third-party platforms



Increase of capacity without significantly raising operational costs



Additional capacity for CAT modeling teams, emphasizing business analysis instead of processing tasks, especially during critical renewal periods



Knowledge augmentation and transfer in a single month



Development of CAT modeling tools that can be used by any insurer with similar work types



Scalability of the tools to more functionally capable platforms

Mission accomplished.



VOICE OF THE CUSTOMER



This must be a record! Keeping up with the peak season volume without the Xceedance CAT team's innovative approach would have been impossible. Kudos for making this happen on such short notice.

Head of Catastrophe and Engineering Analytics, Global Commercial and Specialty Insurer



Please [contact us](#) today to learn more about the ways in which we can help you achieve your success metrics. Time and opportunity are passing you by.



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