



*MIB Group, Inc.*

Collective insight.  
Combined strength.





Together with its members, MIB strengthens the industry, ensuring that companies can offer — and consumers can purchase — affordable life and health insurance protection.

## A heritage of distinction. A contemporary focus.

Accurate risk assessment is critical to stakeholders in the insurance industry. That's why MIB applies its fraud protection, mortality and technical expertise to help its members — virtually every life insurer and reinsurer in North America — recognize risk and take action.

For more than a century, MIB's Underwriting Services have led the insurance industry as the standard for identifying anti-selection and detecting applicant fraud. And, our Actuarial and Statistical Services are the forefront of the industry, performing industry-wide experience studies for partners like the Society of Actuaries — studies that underpin the industry's mortality tables and support risk selection, underwriting practices and pricing.

We offer expertise, products, research and statistical reporting that provide our members, clients and insurance regulators with deeper insights, so they can better manage the risks they face. As such, MIB is the life and health insurance industry's most trusted resource for risk information and actuarial services — **MIB Risk Revealed**.

*"A cornerstone of the insurance industry for more than a century, MIB is a critical resource life and health insurers can't do without."*

*ED BONACH, CHIEF EXECUTIVE OFFICER  
CNO FINANCIAL GROUP, INC.*

# UNDERWRITING SERVICES THAT REVEAL HIDDEN RISKS

## MIB Protective Value

Researchers have found that the protective value of using the MIB Checking Service results in savings between \$30 and \$49 for each dollar spent.

### Spend

\$1

### Save

Simplified Issue Term Life Insurance **\$30**<sup>1</sup>

### Save

Fully Underwritten Life Insurance **\$46**<sup>2</sup>

### Save

Individual Health **\$49**<sup>2</sup>

1 Bergstrom Consulting, LLC., Richard L. Bergstrom, FSA, MAAA; ARHart Consulting, LLC., Anna R. Hart, MS, SRM, 2010.

2 Milliman, Inc., 1999 and 2006.

Studies available at [mib.com/pvstudy](http://mib.com/pvstudy).

## Issue with Confidence

MIB is the industry leader in fighting applicant fraud. Our fraud protection is used to underwrite every line of business: life, disability income, long-term care and critical illness coverage at every distribution point: agent, broker, direct mail, worksite and Internet. Our Underwriting Services enhance underwriting effectiveness and optimize product line performance ([www.mib.com/underwritingservices](http://www.mib.com/underwritingservices)).

### Shedding light on inaccuracies

Our flagship MIB Checking Service alerts underwriters to undisclosed risk factors that impact an applicant's health and longevity, revealing a truer risk profile for more accurate decisions. It is estimated that the MIB Checking Service saves the insurance industry over \$1 billion annually<sup>2</sup> by identifying anti-selection and uncovering fraud.

### Offering a second chance to spot anti-selection

MIB's Follow-Up Service (Plan-F) alerts members to any new applicant information submitted by another member for two years following the original MIB Checking Service inquiry. This offers a valuable second chance to review during the contestable period.

### Identifying excessive application activity

MIB's Insurance Activity Index (IAI) gives members an industry-wide view of an individual's application activity for the past two years. With this intelligence, members can identify critical risks, including: stacking of low-face, non-underwritten policies to accumulate unwarranted coverage, and instances of Stranger Owned Life Insurance (STOLI).

### Exposing overinsurance for disability income applicants

MIB's Disability Income Record Service (DIRS) flags the amount of disability income insurance applicants own and if they have applied for new benefits from any other MIB member.

# ACTUARIAL EXPERTISE THAT TURNS INFORMATION INTO INSIGHTS

## Manage Mortality Risk with Precision

MIB's Actuarial and Statistical Group honed its expertise performing industry-wide experience studies for the Society of Actuaries and conducting industry research with the Mortality and Morbidity Liaison Committee for the past 30 years. MIB's actuarial and mortality expertise together with its industry relationships lets us provide members, clients and regulators with a sharper understanding of risk.

### *Facilitating changes in regulatory reporting*

As the life industry's first statistical agent, **Life Statistical Services** assists insurers with the New York Department of Financial Services (NYDFS) reporting requirements for principles-based reserving. MIB's ability to gather, validate and report massive amounts of insurance data securely and accurately makes us a valued partner in this area ([www.mibsolutions.com/lss](http://www.mibsolutions.com/lss)).

### *Providing greater transparency*

We reveal risks in specific blocks — with **Specialized Mortality Tables**. Reinsurers and direct writers with M&A activities, investment firms that bundle insurance and pension fund managers all turn to us for greater transparency with unique risks ([mibsolutions.com/riskanalytics](http://mibsolutions.com/riskanalytics)).

Monitoring actual underwriting performance — with **Audit Focus**. This unique diagnostic risk management tool uses the MIB Checking Service database to review 100 percent of newly issued life insurance policies to identify, trend and benchmark excess mortality risk to improve underwriting performance ([www.mibsolutions.com/auditfocus](http://www.mibsolutions.com/auditfocus)).

### *Responding rapidly to industry needs*

- **MIB Cross Check** — matches millions of policyholder records against the Social Security Death Master file incorporating MIB's best-in-class name search to identify unclaimed life insurance benefits.
- **Reinsurance Study of Highly Insured Persons** — industry-wide analysis of placed life insurance policies to help quantify jumbo-limit issues and identify STOLI risk.



The industry's timeliest measure of U.S. application activity for individual life insurance.  
[www.mib.com/lifeindex](http://www.mib.com/lifeindex)

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## Studies that underpin the industry's mortality tables, risk selection and pricing.

### ■ Experience Studies

- U.S. and Canadian Pension Experience
- Private Placement Credit Risk Loss
- Payout Annuity and Structured Settlements
- Long-Term Care Experience and Tables

### ■ Mortality and Morbidity Research

- Older Age Mortality
  - Body Mass Index
  - Diabetes Mellitus
  - Elevated Blood Pressure
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# BEST PRACTICES FOR ACCURATE AND SECURE DATA

## The most stringent standards in the industry

As a trusted industry partner for over 100 years, MIB's highest priority has always been — and continues to be — safeguarding the industry's confidential and private data.

Whether we're handling, storing or transmitting data, our Internet and Web services use the most stringent and best-in-class security protocols available to provide:

- safe and secure access to our services — when and where our members need it.
- critical underwriting information that can be easily — and safely — integrated into any underwriting system to ensure a streamlined process.

## A trusted steward

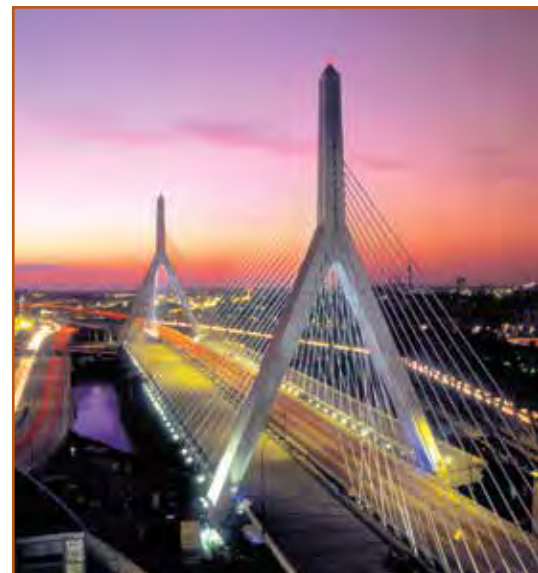
For more than a century, MIB has been an expert, secure resource for both the industry and consumers. The industry entrusts us with its most precious data to keep it secure, de-identify it and report it accurately. Likewise, we protect data for millions of insurance applicants, ensuring its accuracy and providing the right to a free, annual disclosure.

# STRONG RELATIONS WITH INDUSTRY-LEADING ORGANIZATIONS

## Extensive industry relationships

- American Council of Life Insurers (ACLI)
- Society of Actuaries (SOA)
- Life Insurance and Market Research Association (LIMRA)
- Life Office Management Association (LOMA)
- National Association of Insurance Commissioners (NAIC)
- Life Insurance Council of New York, Inc. (LICONY)
- Canadian Institute of Actuaries (CIA)
- The American Academy of Insurance Medicine (AAIM)
- Association for Cooperative Operations Research and Development (ACORD)
- Life Insurance Association of Massachusetts (LIAM)
- Hooper Holmes, ExamOne, Clinical Reference Laboratory (CRL)

The MIB Board of Directors is comprised of senior executives — industry thought leaders — from life and health insurance companies.



*MIB Underwriting Services are provided by MIB, Inc. Audit Focus, Life Statistical Services, MIB Cross Check and affiliated Actuarial and Statistical Services are provided by MIB Solutions, Inc. Both are subsidiaries of MIB Group, Inc.*



50 Braintree Hill Park, Suite 400 • Braintree, MA 02184-8734 • 781-751-6000 • [www.mibgroup.com](http://www.mibgroup.com)

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