

Actuarial

Pricing Actuary

Client Type:

Mutual Insurance Holding Company

Project Scope:

New Product Pricing

Duration:

4 Months

Team Size:

1 Full-Time Actuary



Problem

Our client, a mutual insurance holding company, wanted to price and release a new product called “the family plan.” However, they were **understaffed by two actuarial positions** and feared a lapse in development would **sacrifice their competitive edge** in debt protection plans. Therefore, their focus shifted towards the **development of a new product**, one that would be difficult for competitors to replicate.



Response

Jacobson identified an actuarial expert with experience and knowledge aligned with the client’s specific product needs. Our consultant was a **pricing specialist**, who could offer best practice guidance on product development. He commenced the project with research and analysis to determine the client’s current market position and the extent of comparable coverage. Our expert then provided a deeper understanding of available options, projected frequency and potential barriers for product development.



Solution

Midway through product development, two of the desired coverages were deemed problematic due to the risk of adverse selection. Ultimately, two different coverages were able to be substituted to harmonize the product. The consultant collaborated with the organization’s actuarial team, priced the product and prepared it for filing. Upon completion of the project, **the filing had already achieved approval in 15 states.**