

**INSTITUTE / FACULTY OF ACTUARIES
SMALL SCHEMES PRICING WORKING PARTY
COMPANY PAID**

Questionnaire regarding underwriting and pricing of small group arrangements.

Name of Company _____

Name of Contact _____

Contact Telephone Number _____

In completing this survey please tick the box where appropriate to show that the answer is yes or applicable.

1. Group size

What basis do you use to measure group size?

Lives ☐

Members/Policies ☐

Other ☐

If other please specify basis

What is the minimum group size?

What is the maximum group size?

Comments

2. Rating basis

Please specify the rating basis

Age bands ☐

Individual ages ☐

Other ☐

If other please specify basis

Do you use Unisex rates? ☐

Do you use age of member and apply SMF rates? ☐

If not, do you charge individually for children? ☐

Do you apply discount for group size? ☐

If yes at what size do they commence? _____

Do you allow discounts for Co-Insurance? ☐

Do you allow discounts for excesses? ☐

If yes what is the basis?

per claim? ☐

Per year? ☐

Other? ☐

If other please specify _____

Please complete the discount for excess table below

Excess	Discounts
100	
250	
500	
1000	

Other frequently used excess levels, please insert	

Do you use national rates? ☐

Do you use hospital scales? ☐

Do you rate by postcode? ☐

Do you use Regional rates? ☐

Comments _____

3. Underwriting

3.1 Previously un-insured groups

Do you use full medical underwriting? ☐

Do you use a MORI? ☐

Other underwriting method? ☐

Please specify

Does the underwriting method change with Group size? ☐

If so please specify

3.2 Switching groups

Do you re-underwrite? ☐

Do you accept CPME? ☐

If so please specify any additional health assessment required

Do you accept MHD? ☐

If so please specify any additional health assessment required

Do you request claims experience? ☐

Would you provide claims experience? ☐

Would you refuse to accept on claims experience? ☐

Would you charge differential rates depending on underwriting basis? ☐

Comments

4. Occupation

Would you decline on the basis of the nature of the employers business? ☐

Specifically

Professional sport ☐

Medical Profession ☐

Police ☐

Armed Forces ☐

Others please list examples

Would you accept any of the above with modified cover? If so please specify ☐

Would you decline an individual on the basis of specific occupation within the group? ☐

Would you rate / load on the basis of the nature of business? ☐

Would rate / load individuals on the basis of their occupation? ☐

Comments -

5. Rating at Renewal

If rates depend upon group size is this reflected

At renewal? ☐

During the policy year? ☐

Do you make any adjustments for claims experience? ☐

If so does this depend on group size? ☐

If so then please specify

Do you use some form of LCD? ☐

Do you use banding and /or pooling? ☐

If so is the claims experience based on

Frequency? ☐

Claims? ☐

Adjusted claims? ☐

Would you refuse to renew? ☐

If so please give examples of reasons

Comments

6. Eligibility

Do you apply an upper age limit for new entrants? ☐

If so please specify

Do you limit the percentage of members over a specific age? ☐

If so what age? _____ what percentage?

Do you insist on defined non-selective membership categories ☐
e.g Directors, Senior Managers

If so how do you verify eligibility

In a scheme which covers employees only do you allow voluntary dependents? ☐

Are they always underwritten? ☐

Are they priced using individual rates? ☐

Comments

7. Rate Reviews

Do you review your rates regularly? ☐

If so how often

Annually? ☐

Half yearly? ☐

Quarterly? ☐

Would you review your rates in addition on account of

Competitive position ☐

Portfolio experience ☐

Comments

8. Rate Guarantees

Do you incorporate rate guarantees (for longer than one year)?

Always ☐

Sometimes ☐

Never ☐

Over what period of rates guaranteed?

Do you charge for this guarantee? ☐

9. Commission

Do you pay one level of commission for all business? ☐

If not do you vary

By Broker? ☐

By volume? ☐

By performance/profit? ☐

Comments

10. Profit Objective

Do you have a defined profit objective in setting prices? ☐

Is this?

Target loss ratio ☐

Percentage of premium ☐

Return on Capital ☐

Competitive position ☐

Other ☐

Please specify

Comments
