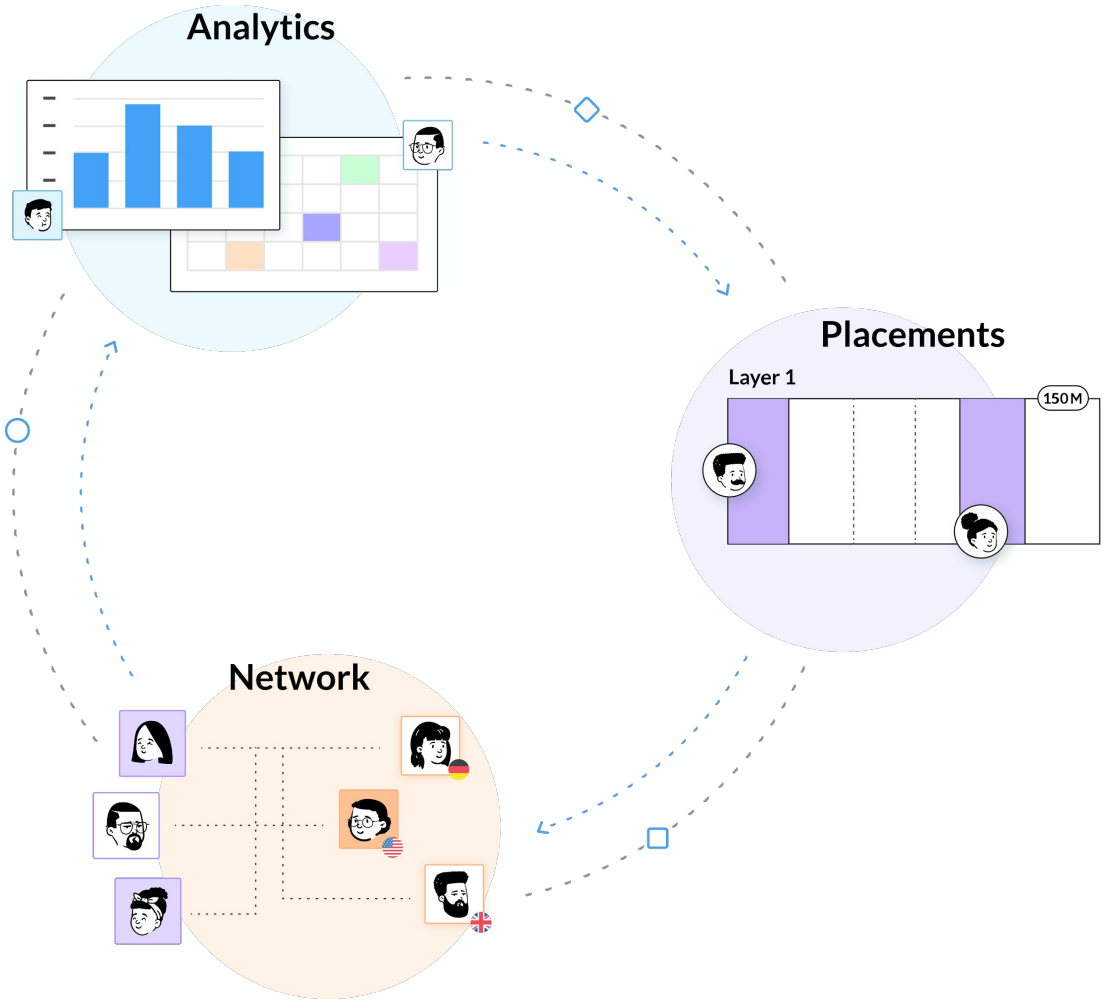
# REINSURANCE THAT CONNECTS

Supercede




# AGENDA

01. Quick introduction to Supercede

02. The source of reinsurance data

03. Whitepaper (understanding the problem)

04. How to support and motivate cedents

# Supercede

## Intro

# INTRODUCING **SUPERCEDE**

Supercede

### Made In Reinsurance

Founded in 2019 by reinsurance industry experts, Supercede was created to address problems experienced by the team in their own lives as practitioners

### Made for Reinsurance

Supercede is designed for reinsurance, specifically. It is not an afterthought for the platform, it is the only thought.

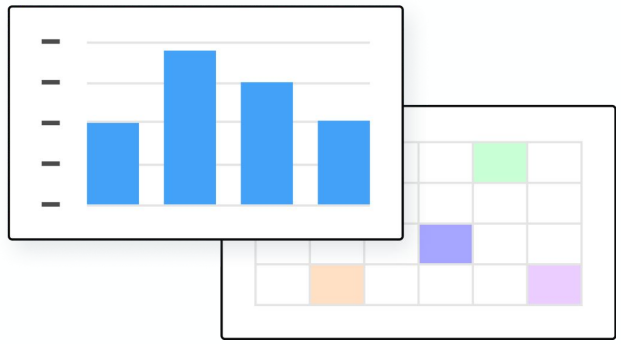
### Global Application

Supercede is designed for the global reinsurance ecosystem,  in the Lloyd's, company and global reinsurer markets around the world.

### 100% Independent

Supercede is an independent platform not owned or run by insurance industry incumbents.

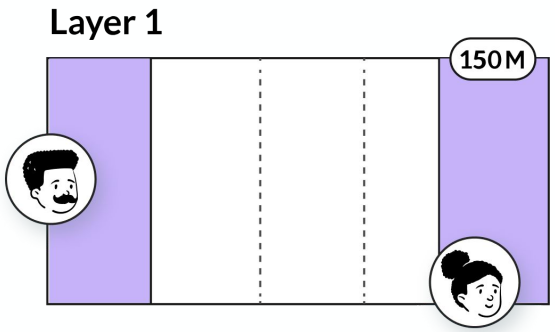
# REINSURANCE THAT **CONNECTS**



## Analytics

Supercede Analytics helps cedents and brokers prepare submission packs quickly and accurately, for a more reliable presentation of risk to reinsurers.

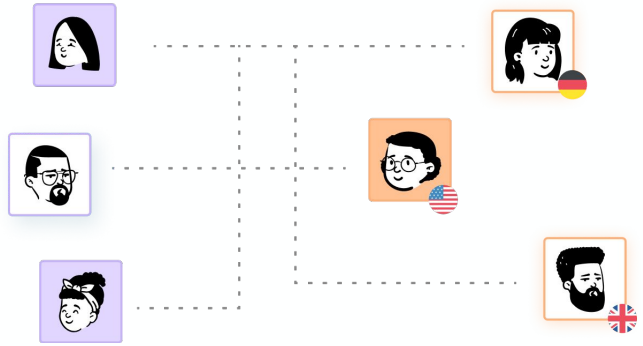
Save weeks of back-and-forth with automated data validation. Block bad bordereaux, even before they're built.




## Placements

Supercede Placements is our trading platform, complete with shareable digital risk profiles and handcrafted fields designed for unique reinsurance features.

Get your placements all in one  place, with the ability to see deal status, notifications and deadlines in a single intuitive workflow.



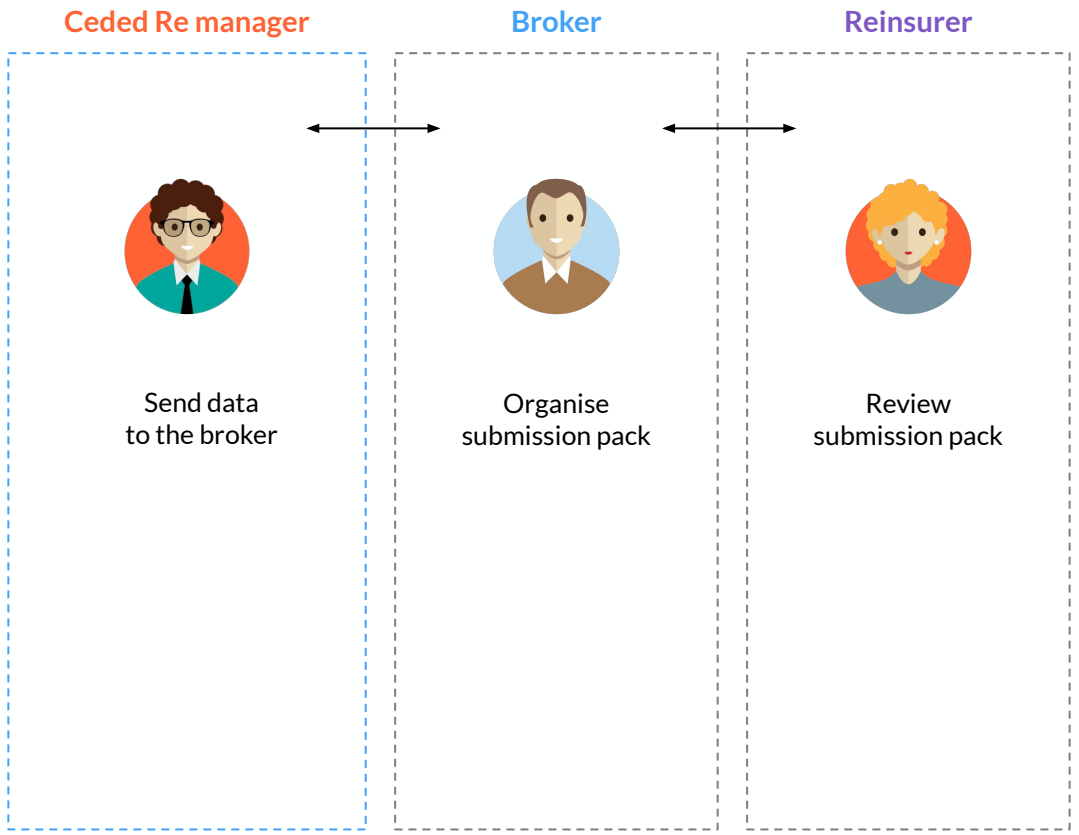
## Network

The Supercede Network helps build your relationships without unsustainable travel or the need for a physical market presence.

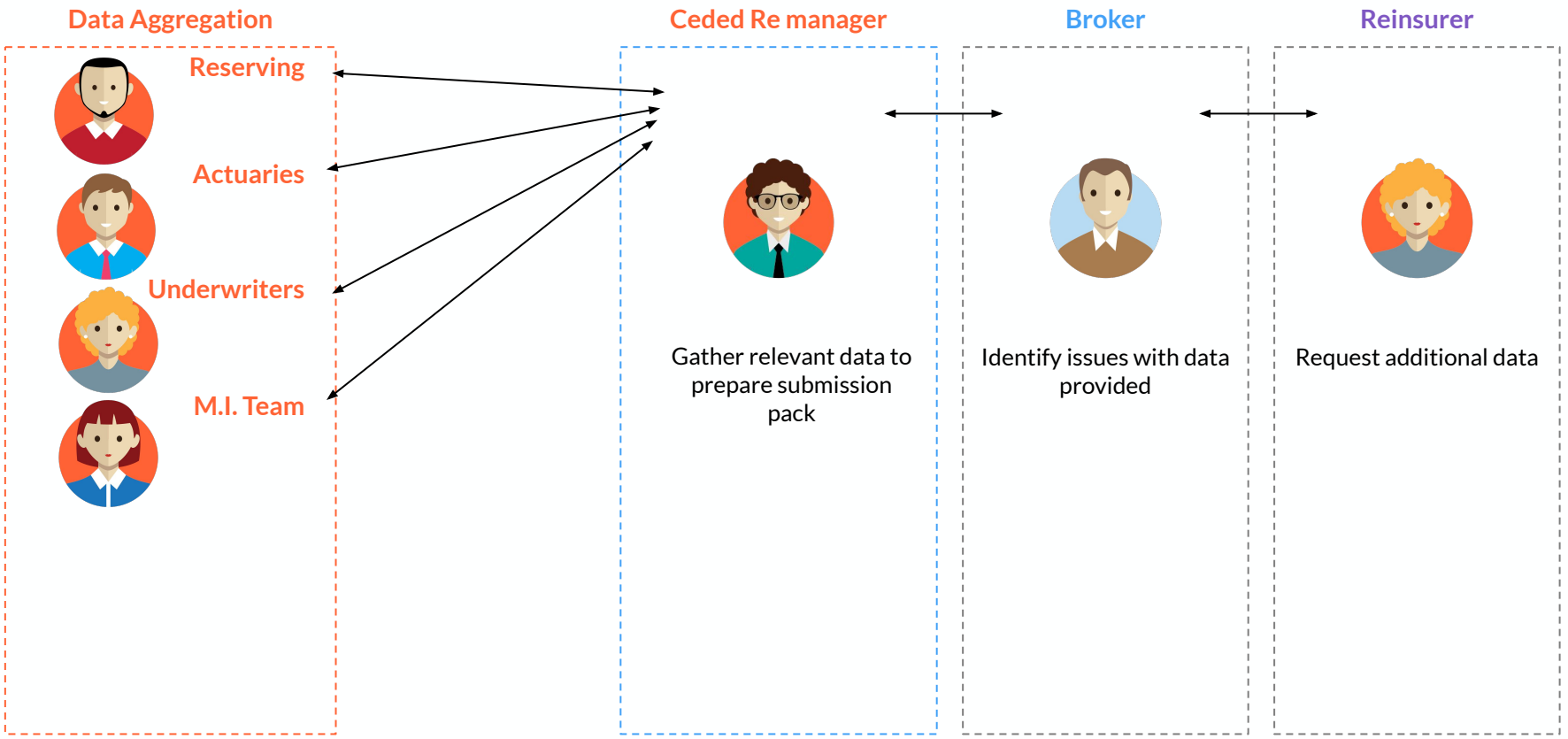
With professional profiles, instant messaging and the world's largest digital reinsurance community, our network is free to join and the best place to find new partners and opportunities.

# Where does reinsurance data come from?

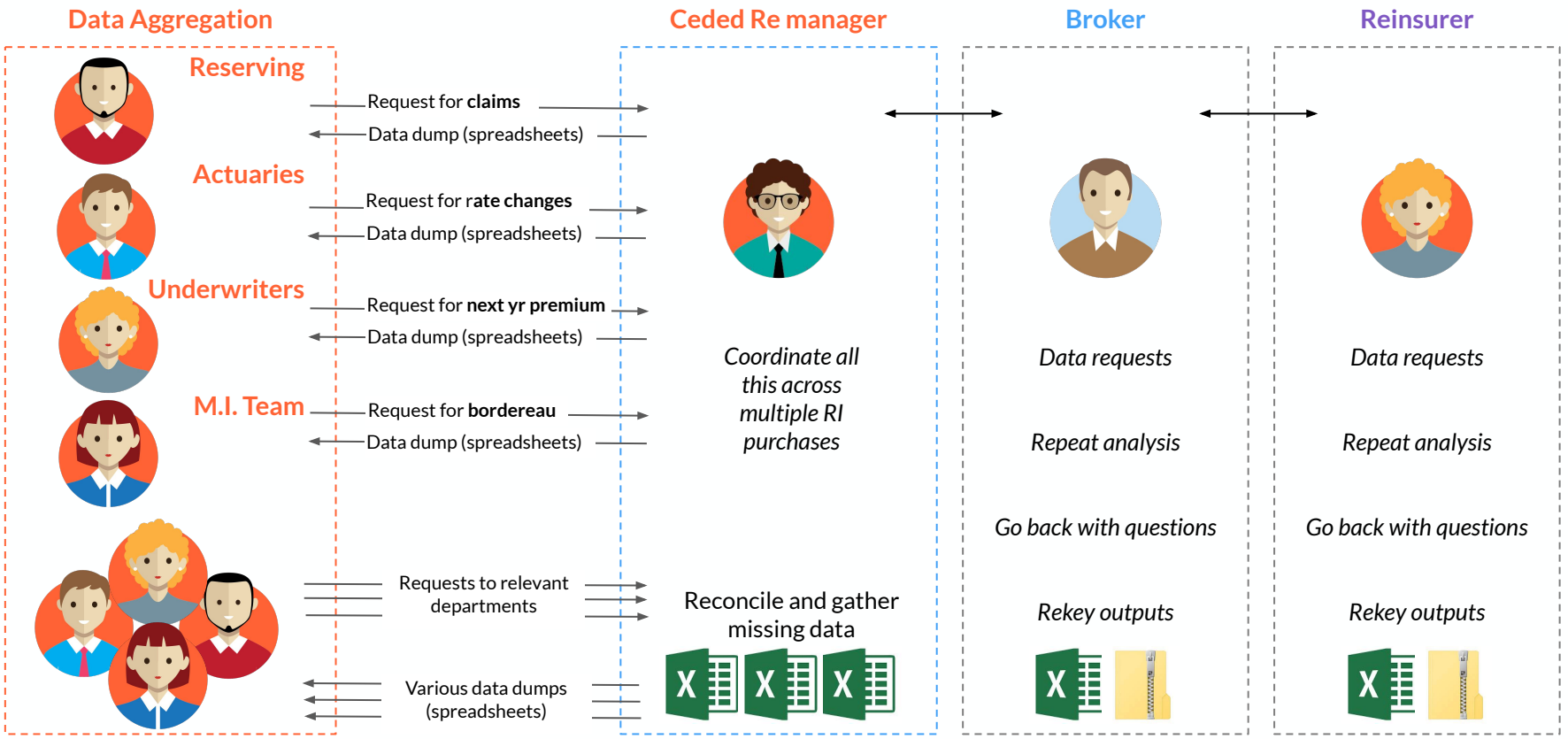
# IT'S **EASY**


Ceded Re manager
Broker
Reinsurer
Send data
to the broker
Organise
submission pack
Review
submission pack

# IT'S **NOT THAT EASY**



# IT'S **NOT EASY** AT ALL



# Why is this a problem for all of us?

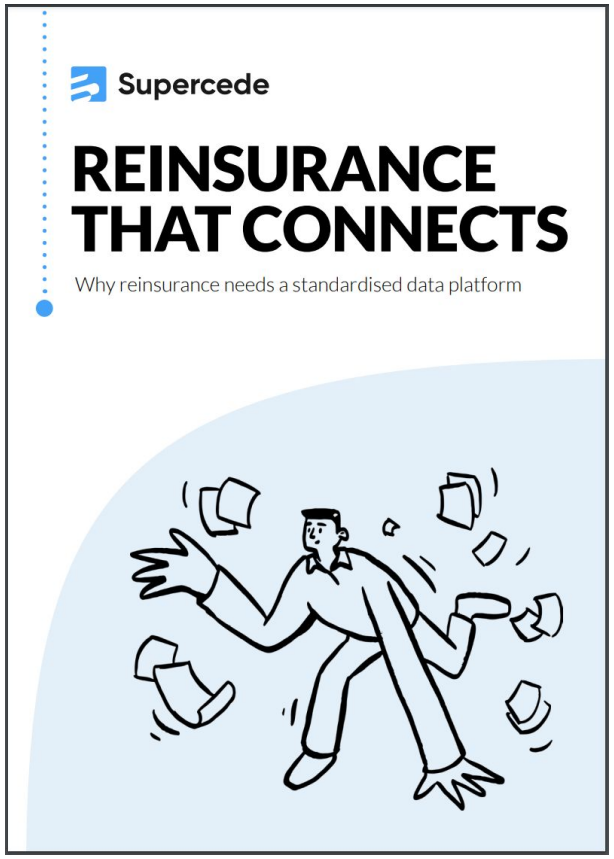
# DOWNSTREAM **IMPACTS**

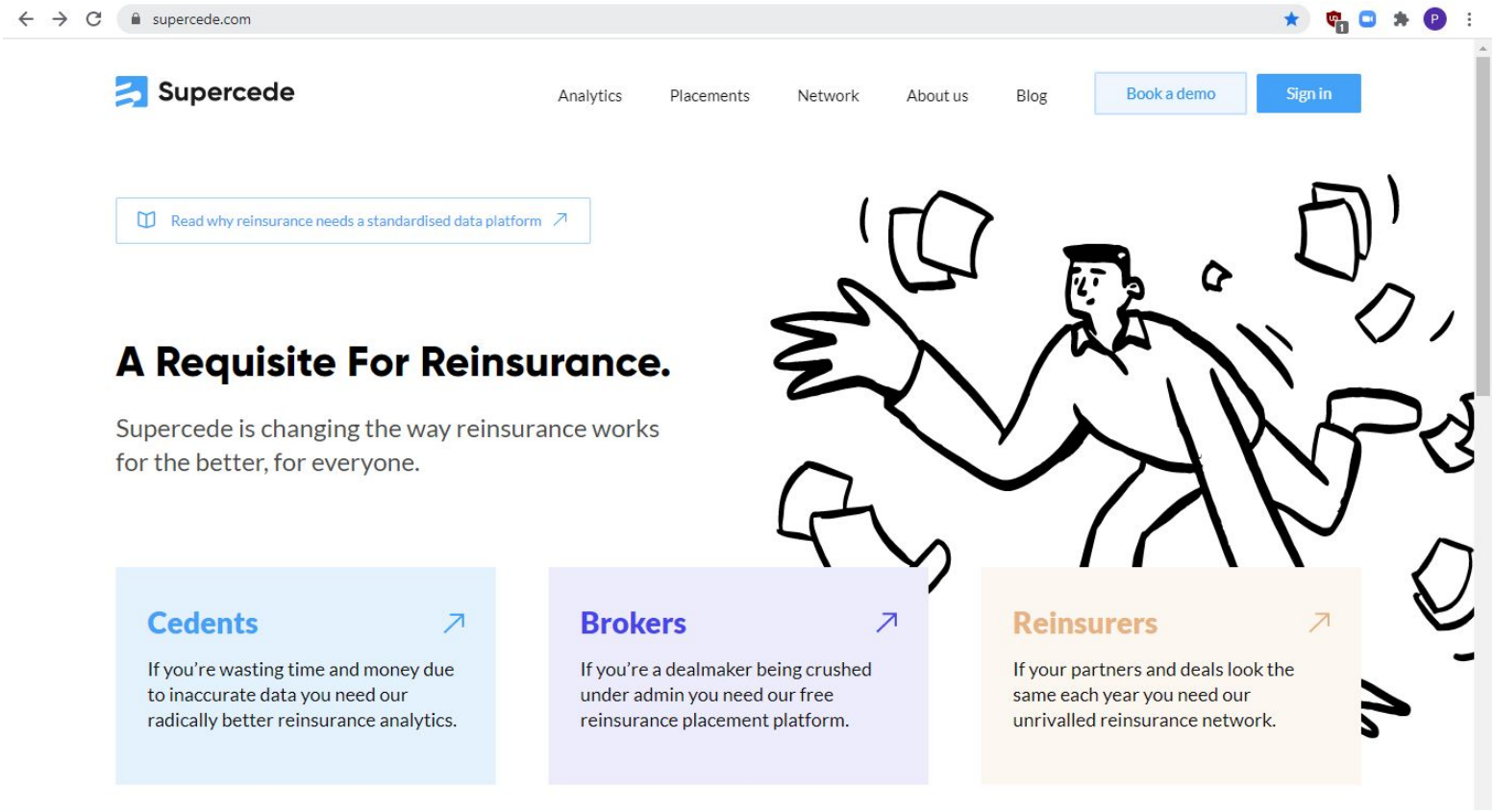
"We want to be in a position to **reward cedents for providing us with good data** in our pricing; unfortunately, at the moment, we often have to include **uncertainty loads for poor or incomplete data.**"

- Jon Gale, Chief Underwriting Officer, AXA XL Reinsurance

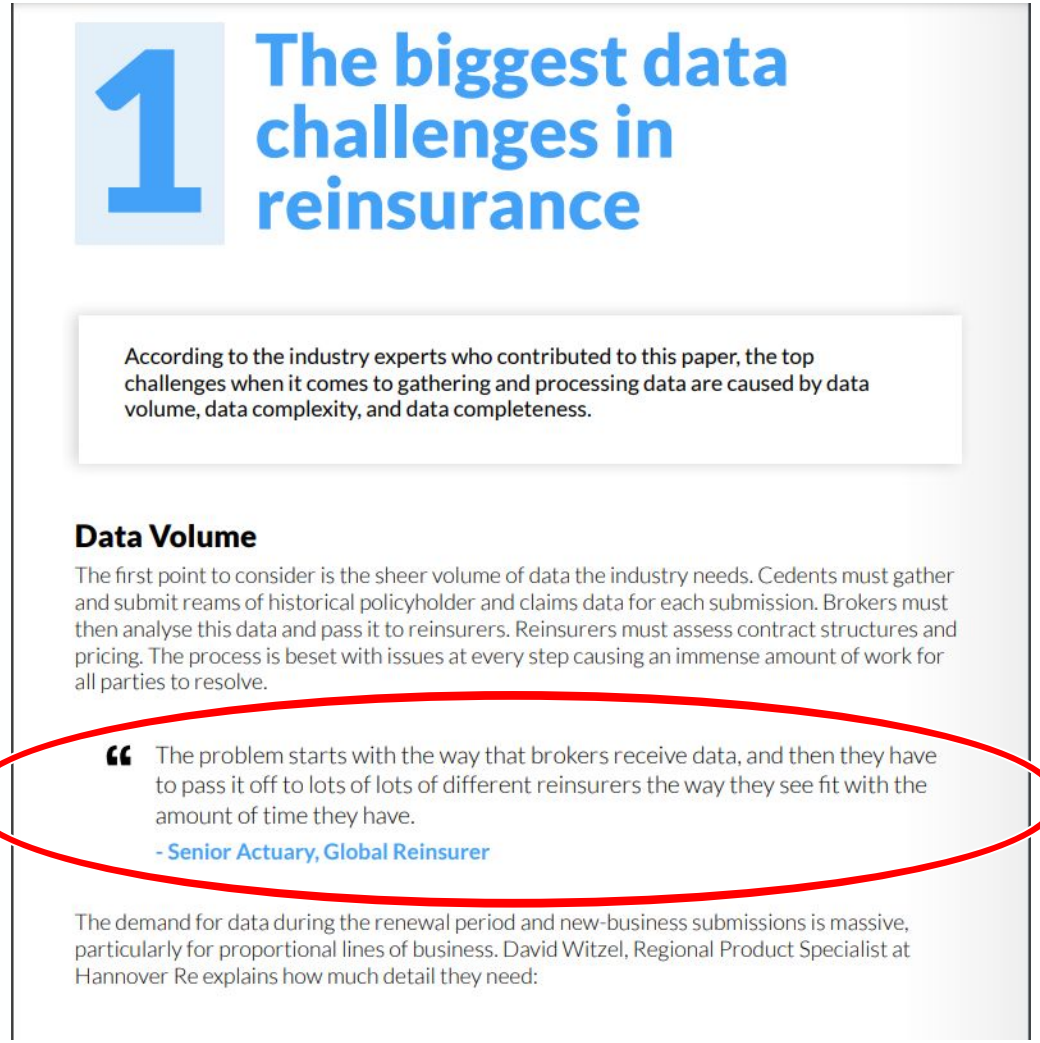
# OUR **STUDY**

**Access via supercede.com homepage**



# REINSURER **FINDINGS**



## 1 The biggest data challenges in reinsurance

According to the industry experts who contributed to this paper, the top challenges when it comes to gathering and processing data are caused by data volume, data complexity, and data completeness.

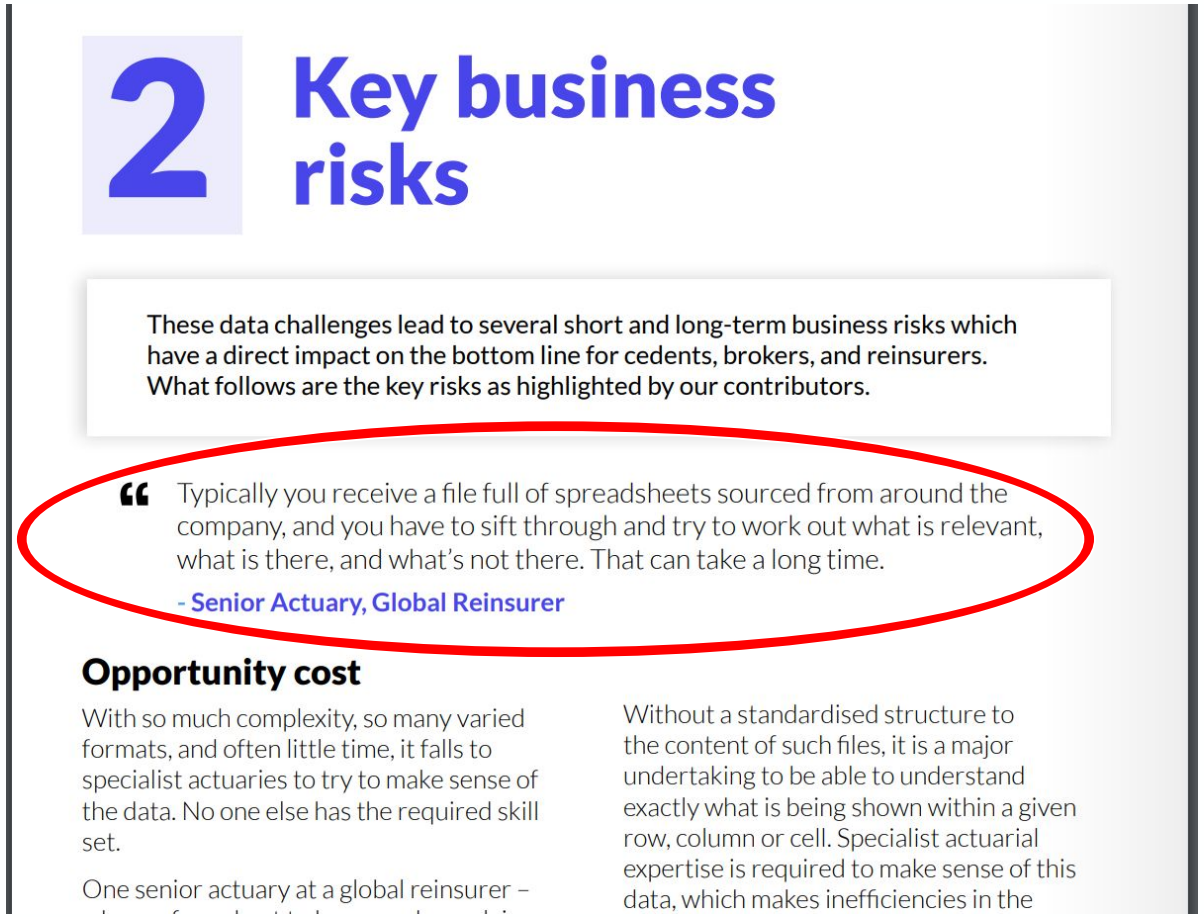
### Data Volume

The first point to consider is the sheer volume of data the industry needs. Cedents must gather and submit reams of historical policyholder and claims data for each submission. Brokers must then analyse this data and pass it to reinsurers. Reinsurers must assess contract structures and pricing. The process is beset with issues at every step causing an immense amount of work for all parties to resolve.

> "The problem starts with the way that brokers receive data, and then they have to pass it off to lots of lots of different reinsurers the way they see fit with the amount of time they have.
>
> - Senior Actuary, Global Reinsurer

The demand for data during the renewal period and new-business submissions is massive, particularly for proportional lines of business. David Witzel, Regional Product Specialist at Hannover Re explains how much detail they need:

# REINSURER **FINDINGS**



## 2 Key business risks

These data challenges lead to several short and long-term business risks which have a direct impact on the bottom line for cedents, brokers, and reinsurers. What follows are the key risks as highlighted by our contributors.

> Typically you receive a file full of spreadsheets sourced from around the company, and you have to sift through and try to work out what is relevant, what is there, and what's not there. That can take a long time.
>
> - Senior Actuary, Global Reinsurer

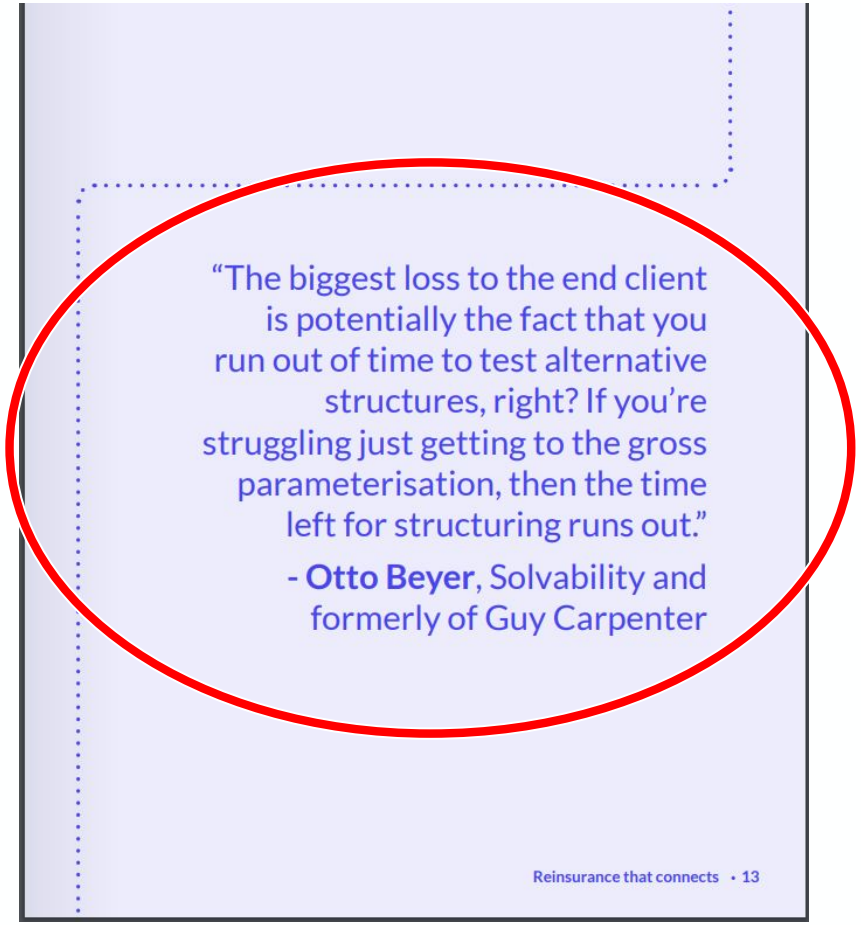
### Opportunity cost

With so much complexity, so many varied formats, and often little time, it falls to specialist actuaries to try to make sense of the data. No one else has the required skill set.

One senior actuary at a global reinsurer –

Without a standardised structure to the content of such files, it is a major undertaking to be able to understand exactly what is being shown within a given row, column or cell. Specialist actuarial expertise is required to make sense of this data, which makes inefficiencies in the

# BROKER **FINDINGS**

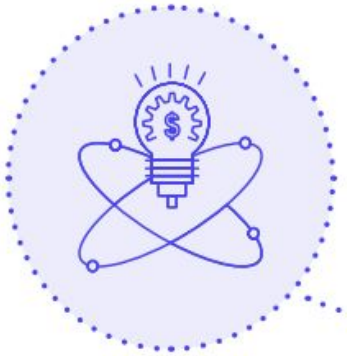


# BROKER **FINDINGS**

carriers are obligated to pay for the uncovered claim first dollar."

In other words, cedents end up being forced to pay for uncovered risks because the reinsurer refuses to underwrite them.

> "I call it a ticking time bomb. If audited and discovered, this kind of exposure will damage cedents' financial ratings and therefore ability to secure future business."
>
> **- Abel Travis**
> AF Group



virtually impossible to achieve organically. The solution may lie with an independent, neutral entity.

"I'm always a bit shocked that we work in the financial centre of London, and Lloyd's has never actually managed to do this. It seems we have enough information to pay premiums and claims, but we can't actually get the data in a format for analytics," says Otto Beyer, Solvability and formerly of Guy Carpenter.

Even within the same organisation, a lack of alignment between actuaries and users of the data gets in the way of achieving progress in establishing consistency and standards.

> "If there was a clearer, shared incentive between those providing data and those setting management objectives, things would be better. But there's a big disconnect in many companies.
>
> **- Daniel Bruno**
> Senior Vice President of Analytics at Acrisure Re

# CEDENT **FINDINGS**

## Reputational damage and lack of market access

When presented with incomplete data, reinsurers are forced to apply pricing loads within their models to compensate. As a result, cedents receive contract structures and pricing that are more conservative than they could have been. In extreme cases, insurers who become known as "repeat offenders" for poor data provision face reputational damage which affects their market access.

With missing data in submissions being the norm rather than the exception, reinsurers have become accustomed to compensating via intuition, experience, and market knowledge.

Nonetheless, even with expert actuaries working to fill the gaps, reinsurers apply pricing loads within their models to cover their risk. This means that quotes are less accurate than they could be. Better data means better models and structures as well as reduced turnaround time.

> "As soon as you become known as 'that' carrier, because they don't trust the credibility of what you bring to the table, you're not going to get as much access as you need.
>
> **- Abel Travis**
> AF Group

As a result, cedents receive contract structures and pricing that are more conservative than they could have been. This is a point raised by Dominique Roudaut, Head of Asia Insurtech Partnership at Hannover Re:

In extreme cases the implications can be even worse, as Abel Travis makes clear.

"If we do not get detailed data regarding past performance we cannot be as aggressive as we could be," he says.

# How to support and motivate the cedents?

# BENEFITS

FOR OUTWARDS REINSURANCE TEAMS

### Ensure Accuracy and Reliability

Confidently provide the most favourable view of your organisation to reinsurance markets.

### Control Your Own Data

Easily validate and authorise data regardless of the source of information; Broker or Internal Team.

### Save Time and Resources

Complete data preparation in weeks instead of months and focus on placement structure and analytics.

# ANALYTICS **FEATURES**

### Collate Disparate Data

Centralise data collection from entities and underwriting lines across the company.

### Compare Data YoY

Compare at a glance to last year's data to spot missing or erroneous data.

### Error Detection

Zero value detection and data validation tools to easily complete peer review tasks.

### Stacking Detection

AI algorithms to detect possible and likely stacked policies and aggregate this data.

### Limit & Attachment Profiles

Customise limit profiles and attachment profiles in a few clicks to control how data is presented.

### Share Pack to Broker

Seamlessly share data packs with your broker colleagues and collaborate faster.

### One-Click Renewals

Renew packs with one-click to save time on multiple file uploads and template changes.

### Reporting Suite

Instantly generate important aggregated reports that form the pack presentation.

### Full Audit Trail

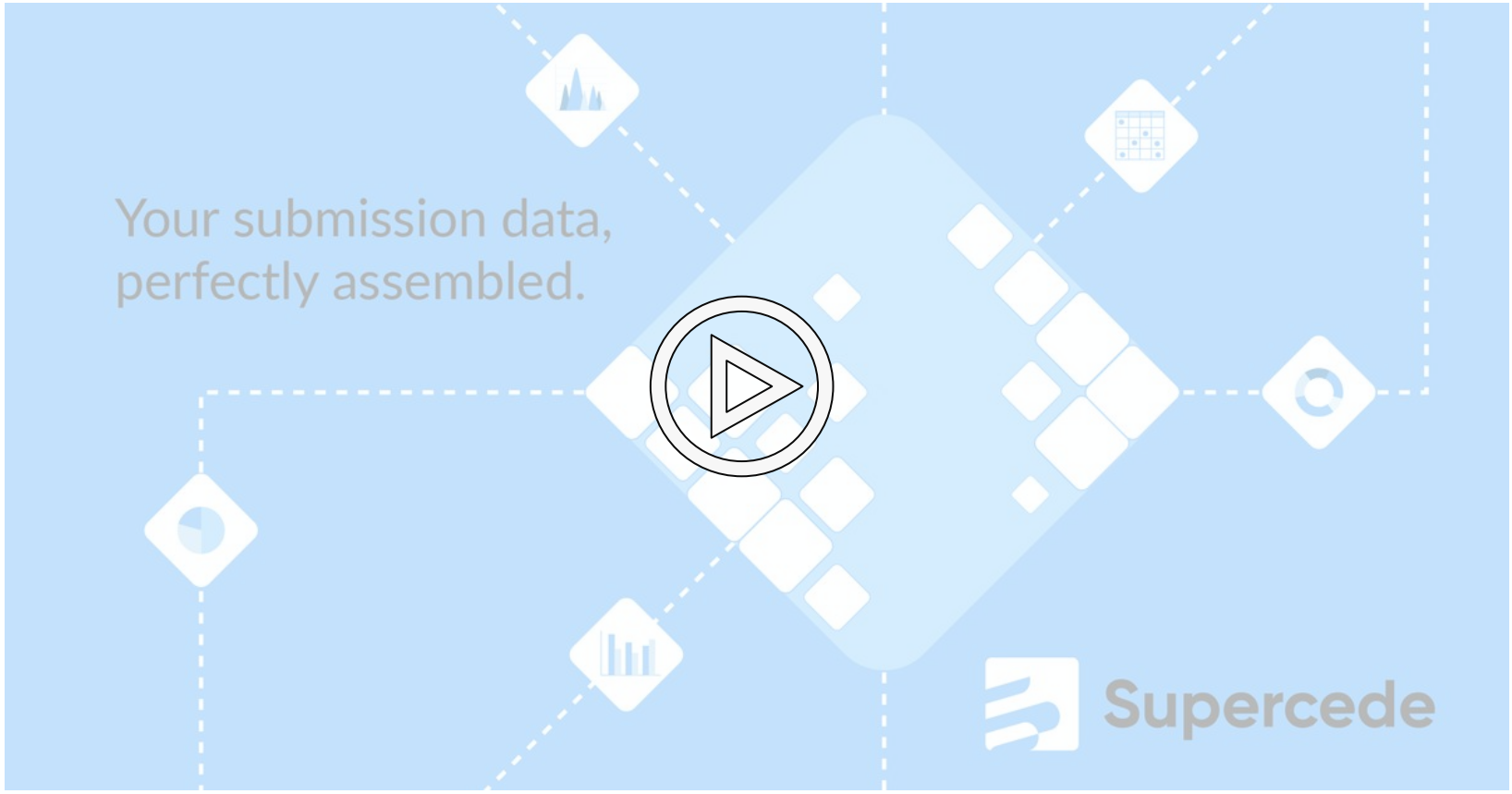
Insight into the source of all uploaded data for complete confidence in the pack's accuracy.

"Supercede is going to allow us to transform the way we prepare our reinsurance submissions... The Analytics platform will allow us to prepare our larger submissions in **weeks and not months,** while also laying the foundation for a more digital placement process with our brokers and reinsurers."

- Jamie Morris, Senior Director of Reinsurance Placement, Markel Corporation

# Supercede Overview

Watch and share our video introduction to Supercede Analytics



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