

TECHNOLOGY

Artificial Intelligence:

# The practical. The problematic. The potential.

PART 2



Artificial intelligence (AI) is no longer a distant promise but a tangible force propelling the life insurance industry and the financial services profession into a transformative era. With its ever-expanding capabilities, AI is reshaping how life insurance companies and brokerage organizations operate, offering practical solutions, addressing challenging obstacles, and unlocking transformative potential for the profession.

In the January-February issue of *Aspire*, we provided an excerpt from the NAILBA 42 mainstage panel discussion on unlocking the potential and challenges of AI. The panel explored the ways the emergence of AI is already changing the insurance industry and distribution. In part 2 of our exclusive three-part series, the panel of industry experts looks to the future and how AI might impact the life insurance profession.

**MODERATOR:**

**Chris Orestis**, President Retirement Genius

**PANELISTS:**

**James Wong**, Founder/CEO The Founder's Chair  
**Mark Holweger**, President and CEO Legal & General America  
**Michelle Dauphinais**, VP, Head of Distribution John Hancock  
**Harsh Singla**, Chief Technology Officer Integrity  
**Amanda Yoho**, Chief Technology Officer Proformex

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## Small step for man, giant leap for insurance

**Moderator Chris Orestis:** What do you envision as the next big leap for AI in the life insurance industry over the next 5–10 years?

**Mark Holweger:** It's not necessarily going to be one big leap; it will be a more continuous and rapid evolution, if not a revolution. The pace will be like the Industrial Revolution on steroids. For those who are not already engaged and enacting change leveraging AI, they will be left behind rapidly, unable to catch up and experience an accelerated slow death!

It's also not five to 10 years. It's more like five to 10 months. In five to 10 years, there will be something else.

**James Wong:** The potential for increasing productivity while lowering hard and soft costs around founding and running a brokerage enterprise is incredible. Carriers are already implementing AI wholesaling to their product portfolio to support the agent and agency to mass customize, in real-time, product solutions that fit client needs specific to current market conditions and opportunities.

Or, on the marketing front, consider a tool that will curate a 52-week social media calendar of topics to produce a blog, a video, and an email to prospect for new (clients) and engage with current clients simultaneously. We are entering a new paradigm where an agency can operate with limited staff and outsourced solutions to communicate with customers and deliver precisely targeted solutions at exactly the time they are needed most.

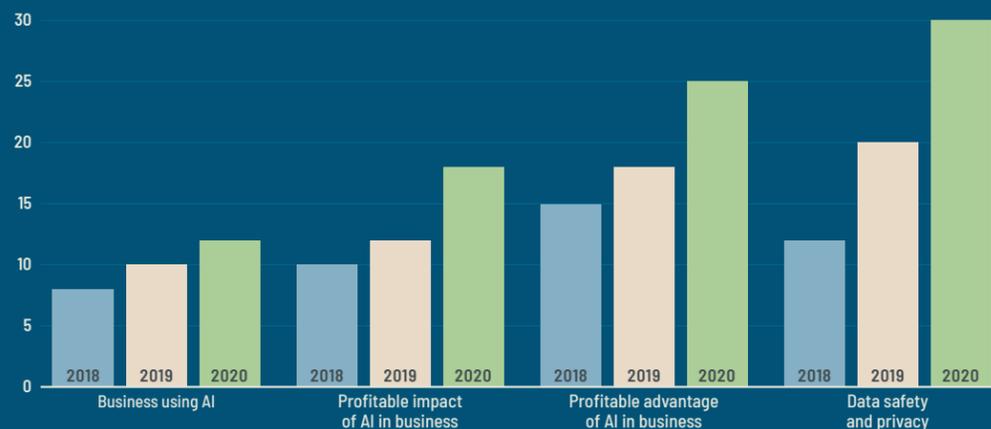
### Future is already here

**Harsh Singla:** Growth in the AI technology world is already exponential. Over the last 12 months, there has been huge public interest and general buzz about AI and using tools like ChatGPT. We expect these advancements to continue to grow — and result in a more customer-centric, efficient, and data-driven life insurance industry in the coming weeks, months, and years.

*It's not necessarily going to be one big leap; it will be a more continuous and rapid evolution, if not a revolution.*

Holweger

### Using AI in business last three years data



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Wong

More and more carriers and products will use predictive underwriting. Many life carriers are already experimenting with instant issue products, but most are restricted to only the healthiest applicants and are priced higher than a comparable fully underwritten product. As AI becomes more prevalent in life underwriting and carriers can identify risk in a much more granular and sophisticated way, we will see a new wave of mass-market, instant-issue products.

The process of buying life insurance will also change. Consumers will want to spend less time and money on getting coverage. The product itself will become way more personalized and won't be one-size-fits-all anymore. Technology will make agents more data-driven and productive, and the industry will attract and retain younger and more technology-savvy agents. The use of personal AI assistants to optimize day-to-day work will become the norm. Plus, agents of the future will be able to sell all types of coverage and add value by helping their clients manage their needs more holistically across life, health, and wealth.

**Michelle Dauphinais:** We are just about to introduce an AI-driven platform for sales enablement. It has the singular goal of empowering our sales representatives with real-time sales advantages while also personalizing interactions with our distributors by quickly understanding their client profile and product preferences, pinpointing active cases that may need attention and providing next-best actions they can use to educate their clients on our offerings and add value to their practices.

### Benefits and risks

**Chris Orestis:** How will industry stakeholders, including insurers, regulators, and technology providers, collaborate to maximize the benefits of AI while mitigating its risks?

**Amanda Yoho:** It starts with the industry building comfort, which means people start by using AI for the pieces of their business that require less regulation and have fewer consequences for errors. These are things like marketing content, summarizing meeting notes, [and] creating slide decks from spreadsheet data. Broader comfort means people are more attuned to the real benefits and risks and are more well-versed in situations where something isn't right. Then, we need to build up our industry-wide adoption of AI ethics and standards, such as how or when the use of AI is appropriate [and] why context around AI output is necessary for its broader use. Then, when AI can be applied to more sensitive parts of the business, such as recommendations for decision-making or output based on sensitive data like contracts or personal information, the users and business stakeholders have a better grasp on how to spot and mitigate risks.

**Michelle Dauphinais:** There are a few steps we can take to foster trust and transparency for the long-term success of AI-driven process improvements. First, we need to work together on industry standards, creating a regulatory framework that adapts to the pace AI is changing and move towards a more robust data-sharing platform, with the goal of improving risk assessment while taking care to respect data-privacy regulations. For example, a technology provider and an insurer could co-pilot to offer an AI-leveraged collaboration that not only mitigates risk across both entities but also delivers value-added services for the modern distributor or end consumer.

### Human element of AI

Join us in the May | June issue of *Aspire* for Part 3, where we will dive into the human elements of effectively engaging the customer with AI-enabled tools and processes. We will conclude our discussions with the final question: What AI tools are currently available for insurance professionals to use today?