

Better Rating: Accidental Risk

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Technical Seminar: Improved Risk Rating

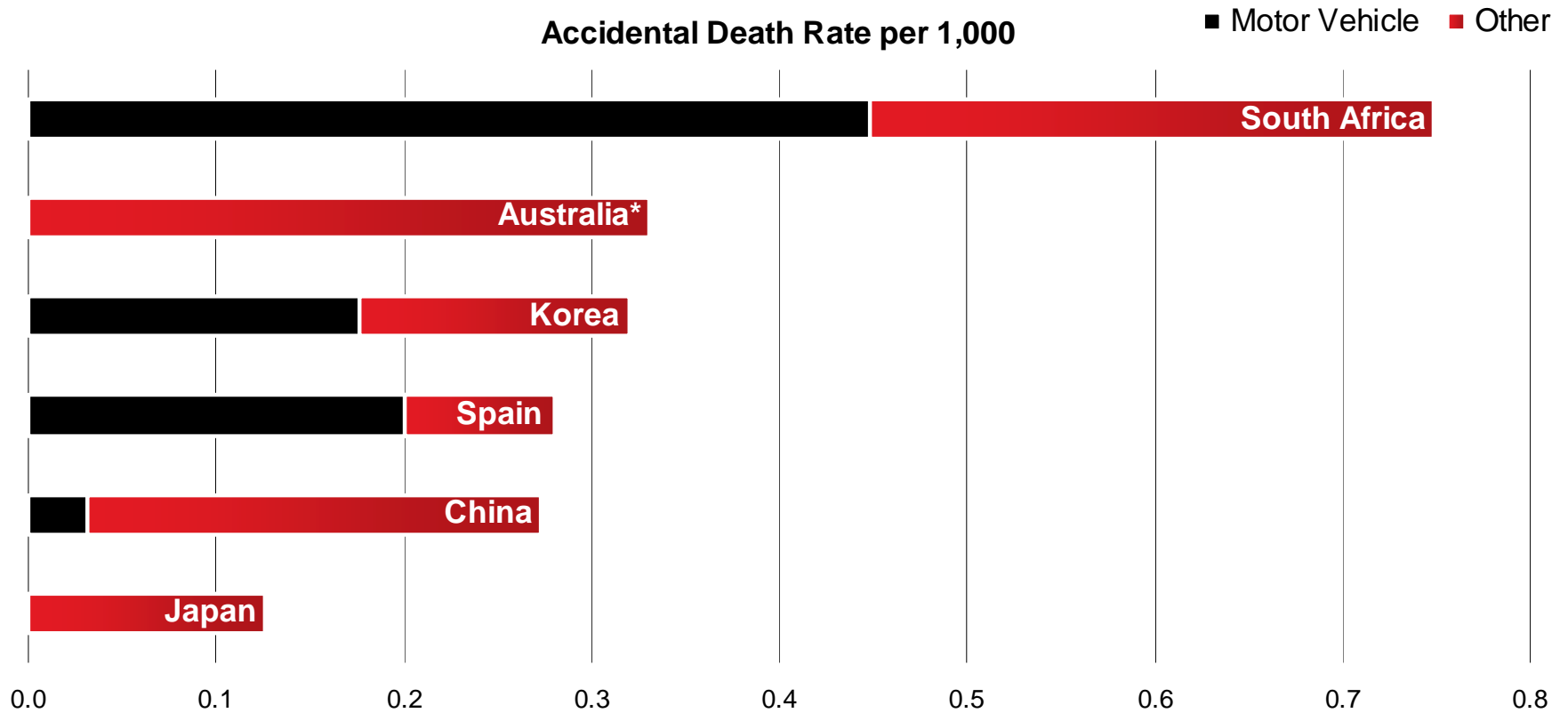
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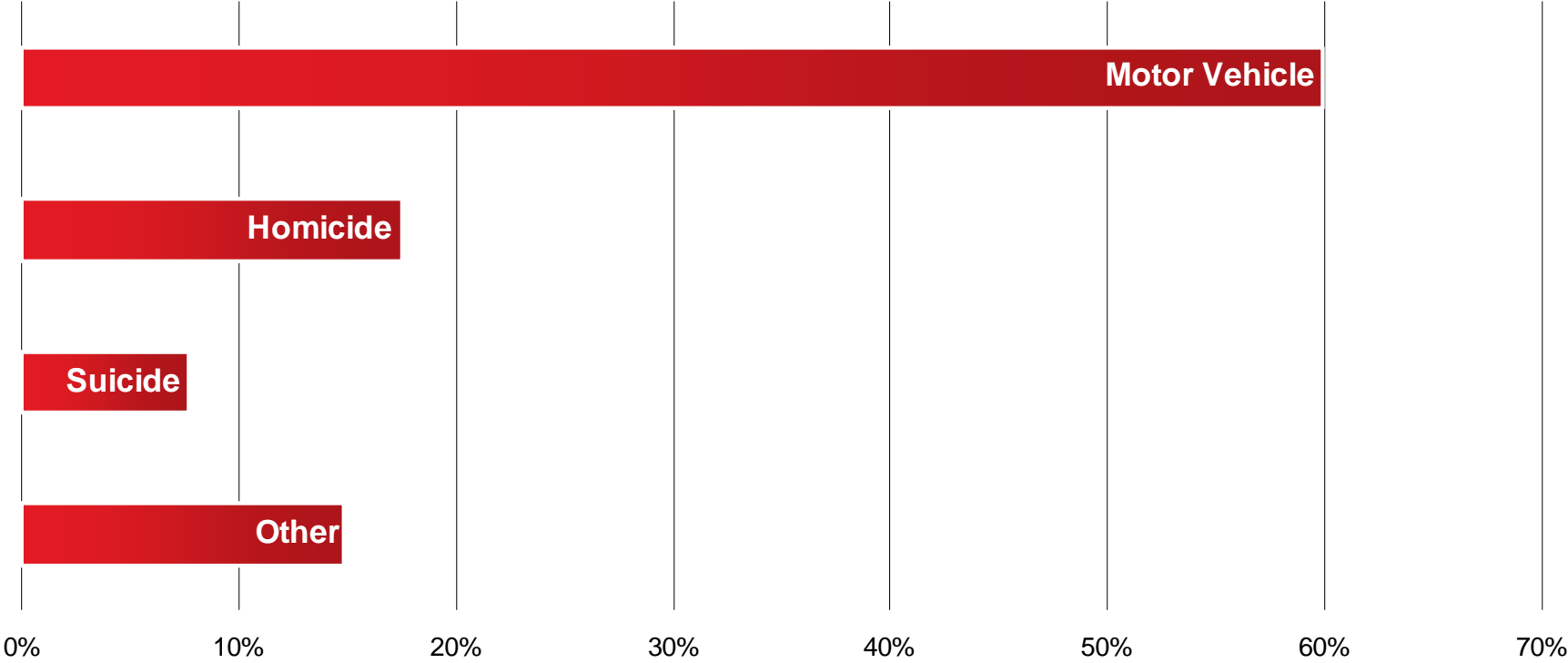
International Comparison



* Australian results based on population figures

Cause of Accident

Proportion of Accidental Deaths by Type



Preferred Rating for Accident

- **Improved rates for better lives
(within each socio-economic class)**
- **Main causes are traffic accidents
and homicide**
- **Differentiate risks**
- **Control risks**

MVA - Main Causes

- **Drinking and driving**
- **Unlicensed drivers**
- **Low levels of enforcement**
- **Unsafe driving**
- **Unroadworthy vehicles**
- **High speeds**

MVA - Differentiating

- **Proxies for driving record**
- **Distance driven**
- **Marital status**
- **Smoker status (already used)**
- **Vehicle type**
- **Occupation**
- **Alcohol Consumption**
- **Credit record**

MVA - Controlling

- **Limiting exposure to drunk driving claims (e.g. 80% payout)**
- **Sponsoring law enforcement efforts**
- **Encourage safer driving practices**

Homicide – Main Causes

- **Burglaries**
- **Hijacking**
- **Assault / theft**
- **Premeditated murder**
- **Alcohol Consumption**

Homicide - Differentiating

- **Postal code**
- **Home and vehicle security**
- **Alcohol consumption**
- **Marital status**
- **Occupation**
- **Credit record**

Homicide - Controlling

- **Limiting exposure to claims resulting from criminal acts by the life insured**
- **Sponsoring law enforcement efforts**
- **Safer living environment**

Possible Rating Factors

- **Proxies for attitude to risk**
- **Proxies for driving record**
- **Postal code**
- **Occupation**

Thank You!

Questions?



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