

UK's LifeQuote looks to include mobile tracker health data for pricing

LifeQuote, the UK protection portal and administration service from DirectLife, has revealed it is reviewing how best to include mobile health tracking data for pricing from devices such as the Apple Watch or Fitbit.

The development comes as LifeQuote said it expects to see insurers include health tracking data for protection pricing along the same lines as has been adopted for PMI policies.

According to LifeQuote, no protection insurer writing UK business uses individuals' health tracking to price policies at the outset. However, LifeQuote acknowledged that engagement with the Vitality programme during the policy term can reduce premiums.

When the market starts to integrate mobile tracker health data into underwriting, LifeQuote said it will require standardised formats in order to be used for pricing comparisons.

Consultation

LifeQuote will therefore be consulting with insurers to understand their likely future requirements and develop a standardised way of recording the data.

In the same way as "postcode" pricing was introduced, LifeQuote said the industry is seeking alternative ways to help rate lives in the future to help simplify the underwriting process.

Neil McCarthy, sales and marketing director at LifeQuote, said the PMI market is rapidly adopting mobile health tracking as a way of setting premiums.

McCarthy said: "We would expect protection providers to look at including this information as part of their pricing strategy, or to look at accessing other data to help offer appropriately targeted life and health products to customers.

"However, this will require a standardised approach in the future if it is also going to be used to compare prices across products and providers. We are therefore engaging with insurers now to at least investigate the likely future requirements."

Direct Life is the parent company of LifeQuote. It is a wholesale provider of protection products in the UK and provides protection aggregator sales platforms financial advisers and national consumer aggregators.