

## Portal examines capturing health tracking data

Insurers will begin to capture health tracking data for protection pricing along the same lines as has been adopted for private medical insurance policies, according to LifeQuote.

The protection portal and administration service from DirectLife is therefore reviewing how best to capture health tracking data from devices like the Apple watch and FitBit.

Currently, no protection insurer writing UK business uses individuals' health tracking to price policies at outset, although it added that engagement with the Vitality program during the policy term can certainly reduce premiums.

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

"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."

LifeQuote warned that when the market starts to integrate the data into their underwriting, it will require standardised formats in order to be used for pricing comparisons.

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

Peter Hamilton, head of retail propositions at Zurich, told FTAdviser that the time will come when this kind of data is used for regulating premiums, though some challenges still remain.

"While I think we are still a little way off wearable technology being used in underwriting, it's hard to conceive that it won't have some part to play in insurance propositions in the months and years to come.

"For our own part we are actively running trials on the kind of data we can collect and the insights it might provide. Many consumers will be happy to share data if they can see they will benefit from doing so - some kind of exchange or reciprocity is the key.

However, Mr Hamilton also noted some practical problems. "Might we see a market created in positive personal data generated by an athletic individual running round Hyde Park wearing a selection of other people's devices, how far should we take into account both the activity, but also the conditions - pollution when running for example, or three hours running without sun cream on a hot day.

This time last year, [FTAdviser reported](#) that advances in wearable technology and the increasing amounts of personal information given online could both be used by insurance companies to drive down the cost of protection cover, although this comes with certain ethical issues.

<http://www.ftadviser.com/2015/09/24/insurance/health-and-protection/portal-examines-capturing-health-tracking-data-UpalFv9GNrCcKRr2SkH80N/article.html>

