Correspondence

EXPERT SYSTEMS AND UNDERWRITING

Dear Editor:

While, as an “old timer” I still cringe at the word underwriting in connection with expert systems without making it an ad-verb to the verb processing, the Journal of Insurance Medicine’s (JIM Vol. 21, No. 4) presentation on the subject was, in my opinion, balanced, sound and reasoned.

Yet, let me suggest two areas where more detailed discussion might be of value.

1. Training. How does one get the neophyte underwriter to the stage where, in the Editor’s words, an “almost illogical judgement is called for”? How does the computer detect “more hazard”, that old-fashioned term, connotating selection against the company, removing what on the surface appears to be valid insurable interest?

Are they really training tools since they give answers but presumably not the reasons for the answers?

2. Do expert systems reach to all underwriting shops regardless of the size of the underwriting staff? Can a base program developed, say, by MONY or Lincoln be economically sound to install in the small company? Do such programs relate to all underwriting policy assumptions in all companies, be they liberal, middle of the road or conservative? If not, can they be modified at reasonable cost to meet a given set of circumstances?

Sincerely,

CHARLES A. WILL
Will-Charles
Consultants
Grand View-on-Hudson, NY

Correction

An error occurred in the article by Dr. Ivan Lockyer, “Life Assurance in South Africa”, in Volume 22, No. 1, page 23. The second paragraph from the top of the right column should have read:

The Republic of South Africa is an epidemiological laboratory and has a mix of 1st, 2nd and 3rd world populations. There are significant differences in disease patterns in various sectors of the population. For example, South African born Indians have among the world’s highest incidence of diabetes mellitus. The white Afrikaner population has a particularly high incidence of familial hypercholesterolaemia with concommitant coronary artery disease. Our black population has a high incidence of hypertrophic obstructive cardiomyopathy, oesophageal carcinoma and hypertension. The coloured population shows unusually high incidence of diabetes, coronary artery disease and hypertension.