



FAQs

New Business Solutions

Private Labeling Solutions

Q – What are Wilton Re’s Private Labeling Solutions?

Wilton Re offers turnkey private labeling solutions to enable companies to introduce new products on an accelerated basis and at a fraction of the cost of most internal development projects. We offer a full range of services that start with product development and pricing, and include integrated systems and processes for the issuance and administration of business. Our services also include:

- Product development, pricing and actuarial services
- Application development and underwriting protocols
- Automated underwriting ‘engines’
- E-applications or connectivity with client applications
- Policy delivery and issuance systems
- Agent portal, commissions and agency services
- Policy administration and customer service
- Customer, operational and financial reporting, and analysis

Q – What products does Wilton Re offer for private labeling?

Our primary focus for private labeling is the middle market and we offer a range of life insurance products designed for these consumers and for the distributors that serve them. Our products cover the major segments and distribution approaches within the middle market including group/voluntary worksite, senior/ final expense, instant issue/simplified issue term and income replacement. In addition to the product and underwriting expertise, we also maintain the issuance and delivery systems necessary to support the distributors that serve the middle market, whether through traditional career agents or alternative distribution.

Q– Can we tailor products and modify Wilton Re’s approach?

All of our private labeling solutions are tailored to our client’s objectives and circumstances. Our projects begin by understanding our clients’ distribution approaches, pricing objectives, risk appetites and aversions, customer connectivity and service standards, and additionally, underwriting standards and approaches. We then tailor the product, underwriting delivery systems, and administration to best achieve an integrated offering that reflects our clients’ customer and distribution requirements, and complements their operating environments.

Private Labeling Solutions

Q – What are the benefits to my organization from private labeling?

Private labeling allows companies to quickly capture market opportunities on a cost effective basis and with the actuarial and operational support of a knowledgeable partner.

Speed to Market

Wilton Re's private labeling solutions can be implemented in as quickly as four months. This compares to the typical industry timeframe of 12 to 18 months for most product development.

Improved ROI

By leveraging Wilton Re's integrated processes, the cost of introducing new products is greatly reduced. Our go-to-market cost is a fraction of the average industry costs for new product introduction. With minimal up-front investment, our clients can begin offering new products without committing significant resources.

Confidence

Wilton Re's products and processes have been successfully in production and serving the needs of our clients, their customers and distributors. Our product development and underwriting consulting is based on proprietary experience data and operational expertise.

Q – How do you achieve fast market entry?

Fast market entry is achieved by leveraging Wilton Re's established products and processes. Our existing processes are '95% complete' with the customization accounting for the last 5% of the effort to provide a proprietary solution. Our customization always focuses on connectivity to our client's customers and distributors, final product specifications and pricing, integration with key home office functions, tailoring underwriting and administration systems for the products, and developing reporting protocols and formats. And of course, the greater the reliance on Wilton Re's existing processes the quicker the market entry.

Q – Will my product, underwriting and operations teams have input in the arrangement?

Wilton Re offers Private Labeling Solutions as a service, and we promote high standards of transparency. Implementation involves a multi-disciplined team and we work across your organization to ensure that the products and supporting processes reflect your specifications and requirements and that high standards for integration are achieved.

Q – Will Wilton Re provide product filing services?

Wilton Re can provide filing assistance directly or by leveraging third parties.

Private Labeling Solutions – Product Development

Q – What are Wilton Re’s areas of expertise with respect to product development?

Wilton Re has a broad range of expertise covering the range of fully underwritten and simplified issue life insurance offered in the market. In addition, we specialize in simplified issue products sold to the middle market.

Q – Can you describe your expertise with middle market products?

Wilton Re’s experience with products sold to the middle market spans the major distributions and products: group voluntary worksite, senior markets/final expense, and simple term including income protection products. Our expertise has been developed across our business segments:

- Through our In Force Solutions, we’ve acquired substantial blocks of simplified issue life insurance that was sold to the middle market and which came with many years of underwriting history and experience data
- We reinsure simplified issue term and final expense business, and routinely advise on product development
- Through Texas Life, our primary insurance carrier, we offer permanent life insurance to the voluntary worksite market directly and through private labeling. We have also offered final expense through Texas Life

We have a deep understanding of the products, supported by meaningful experience data. Our experience extends beyond actuarial matters to other factors that can have important implications for product performance, including distribution methods, application, and underwriting approach and operations.

Q – Describe Wilton Re’s voluntary worksite products and experience?

Through our wholly-owned subsidiary, Texas Life Insurance Company, Wilton Re is a leading provider of permanent life insurance offered through the voluntary worksite market. Texas Life has been in the worksite market since 1994 and its products are the fifth most popular in the market by sales. Our current volumes exceed 100,000 applications processed annually.

Texas Life’s products are permanent and portable, providing an important complement to group term sales in the market and add a valuable service to middle market customers. Whole life and universal life products are available and are offered through benefits brokers as well as through other insurance carriers as part of their broader offerings. We also offer worksite products on a private label basis.

Q – What services are provided by Texas Life?

Texas Life maintains a full service operation in Waco, Texas that is dedicated to the voluntary worksite market. Operations consist of all activities necessary to support the sale, delivery and ongoing customer service to clients, their distributors, enrollment companies and their ultimate policy holders.

Private Labeling Solutions – Product Development

Q – What are Wilton Re’s areas of expertise with respect to senior markets and products?

Wilton Re has extensive actuarial and operational experience with final expense products sold to the senior market.

- We’ve acquired in force blocks, reinsured new business and offered product selectively through Texas Life
- Our proprietary data base includes over 225,000 claims
- In 2010, we sponsored the industry’s most comprehensive mortality study with Milliman
- Our new business platform was an early adopter of Rx and MIB checks and has been a model for efficiency and effectiveness in the industry
- Our experience spans distribution approaches including career/captive, IMO, and direct marketing

Q – Can you describe your simple term offering and experience?

Similar to final expense, Wilton Re’s experience with Simplified Issue term products is the accumulation of acquired in force blocks, reinsurance and private labeling.

- We have experience with a range of distribution and underwriting approaches, including
 - Career, IMO, bank/financial institution, direct marketing and internet
 - Our underwriting experience includes the most simple application questions to full reflexive underwriting
- Additionally important is our operational expertise, where we achieve 90% point of sale decisions, with the great majority issued and policies mailed the same day

Q – What is your income replacement offering?

Wilton Re offers SalaryShield®: a proprietary product supported by a turnkey straight through processing system. The product provides death benefits in terms of salary replacement and includes a debt elimination rider for mortgage, credit cards or other final expenses.

SalaryShield® can be offered through Wilton Re’s wholly-owned subsidiary, Heritage Union Life Insurance Company, or on a private labeled basis.

Private Labeling Solutions – Application, Underwriting and Issuance

Q – Does Wilton Re offer an e-application or can I use my existing application?

We accommodate both. We can either use an e-application offered by one of our partners or tie our systems and processes into our client company's existing applications.

Q – Do your products and process use full reflexive applications and underwriting?

Wilton Re can provide a range of solutions depending on our clients' customer and distributor requirements. We offer simple applications with supporting MIB and Rx checks as well as more robust applications supported by full reflexive underwriting, and decision engines.

Q – Should I use reflexive underwriting for all my simplified products?

Not necessarily. While there are definite protective value benefits from reflexive underwriting, the choice of application and underwriting approach will be dictated by your distribution methods, product offering and target customer. We have experience with:

- Simple applications and underwriting processes relying on several knock out questions and six to eight health questions, with supporting MIB and Rx checks
- Applications with full reflexive underwriting and more sophisticated underwriting decision engines utilizing MIB, Rx and MVR data

The success of your simplified offering will depend on the acceptance of the product and ease of process for your distributors and customers. Many middle market distributors, especially call centers, prefer simple applications over the full, reflexive underwriting approach. Wilton Re's delivery processes are designed with distributors and customers in mind to facilitate sales of new business.

Q – Does Wilton Re have a proprietary underwriting engine?

Wilton Re partners with leading underwriting services companies to provide underwriting engines appropriate to the product, distribution, and process. We have customized a simple engine for our simple application and processes and we have also customized a more sophisticated engine for our reflexively underwritten business.

Q – Can we customize the underwriting engine to reflect our underwriting approach?

Absolutely. The engines we offer are fully transparent and have customizable rules. We believe clients need to understand the decisions made within the engines and, as such, we spend considerable time with our clients' underwriting team comparing standards and modifying decision algorithms, where necessary. We also perform post launch audits of the underwriting outcomes to ensure decisions are made as intended. That work is shared freely with our clients as part of our arrangement.

Private Labeling Solutions – Application, Underwriting and Issuance

Q – How long does the application and underwriting decision process take?

Our processes are designed for point of sale approvals. Generally, the application process takes about 10 minutes for our simplified applications and 15 minutes for full reflexive underwriting. Underwriting decisions are rendered within 90 seconds of completion of the application. Reading of the necessary regulatory disclosures and signing may take up to 10 additional minutes

Q – Do you use underwriting referrals in instances where there is need for clarification?

We generally offer underwriter review for instances where the decision engine is unable to render an immediate decision due to questionable or unclear MIB and Rx disclosures. We have been successful in increasing issuance levels by five to ten percent by having the system automatically refer a case to the underwriter, where there are discrepancies found between the application questions and the results of the database search. Underwriters can order specific follow up questions to be answered over the phone to quickly clarify MIB and Rx disclosures. These calls are generally made the same day and retain customers that otherwise may be lost.

Q – Do you use Wilton Re or client underwriters for referrals?

We can build the process to use either. In the, past we have generally used underwriters at our BPO partner under the direct supervision of Wilton Re's chief underwriter. We can also accommodate client underwriters for referrals and traditional underwriting, where necessary.

Q – What are your standards for point of sale approvals, issuance and delivery?

Wilton Re's processes support high levels of point of sale approvals – up to 90% for some programs. Generally, 90% of applications received on our BPO platform by 3pm are issued the same day and if applications are not received by 3pm, 98% are overall issued the next day.

Q – Can Wilton Re support e-signatures and v-signatures?

We have supported both e-signatures and v-signatures for our clients and their distributors. Our systems and processes have the disclosures, recordings, and archiving to better ensure compliance with the various laws and regulations governing such sales methods.

Q – Are your processes and systems appropriate for call centers?

Our processes are flexible and were designed for use by call centers. We also support traditional face-to-face sales of insurance.

Private Labeling Solutions – Systems and Administration

Q – Can you describe Wilton Re’s systems that support private labeling?

Wilton Re maintains integrated systems to provide straight through processing of sales of life insurance on a simplified basis. The process begins with e-applications that incorporate underwriting decision engines and automatically feed issuance and administration. Our processes are designed for high levels of point of sale approvals and quick issuance, while building in the underwriting, management and financial controls to ensure a controlled experience. We can also accommodate up sales to fully underwritten policies.

Q – Does Wilton Re offer its systems on a stand-alone basis?

We offer our systems and integrated processes as part of private labeling arrangements where Wilton Re reinsures a portion of the business.

Q – Where do you maintain the Wilton Re systems?

Our systems for private labeling of final expense, term, SalaryShield®, and other individual life insurance products are maintained by our Business Process Outsourcing (BPO) partner, CSC. CSC is one of the largest providers of technology and administrative outsourcing solutions to the life insurance industry. They ensure the systems that support our private labeling meet their high standards for stability, scalability, functionality and security.

Our worksite offerings are on Texas Life’s systems which were specifically designed for the voluntary worksite market and have provided distributors and customers with high levels of service for over 18 years.

Q – Can you describe the administration services available for private labeling?

Wilton Re has developed a full service administration offering by leveraging our BPO partner’s customer service platform. We provide full policy issuance, policyholder service and administration for the policies issued in private labeling arrangements.

- Our administration systems and processes are integrated with front end sales support and underwriting
- We provide full administrative services including call center operations, policy administration, claims adjudication and financial services
- Our services extend to corporate and regulatory compliance activities
- We maintain an agent portal for business written under private labeling that provides updates on underwriting and issuance and policy status
- We also provide a full range of financial services including preparation of statutory schedules for the business administered, reserves, product profitability analysis and embedded value

Private Labeling Solutions – Systems and Administration

Q – How does Wilton Re oversee its BPO partners?

Wilton Re is one of the most practiced companies with the use and oversight of BPO partners. Our management team has used BPO partners for over 15 years, during which time we have utilized BPOs for the administration of over five million policies. During this time, we have overseen the development of their administrative practices and realized operational and financial controls. We have close working relationships that better ensure alignment of interests. Our oversight is thorough and includes:

- Service Level Agreements that set standards for high levels of customer service
- Wilton Re management on site, to respond to any service issues as they arise
- Thorough operational reporting and SLA measurement to ensure standards are met consistently
- Wilton Re oversight of regulatory and compliance matters, including complaint handling
- Continuous financial analysis and reporting for business subject to BPO administration
- BPOs subject to SSAE 16s for financial, operational and IT controls

Q – What agency support does Wilton Re provide?

We can provide a range of agency services ranging from licensing and appointment services to agency reporting and analysis of new business.

- We process and can pay commissions
- We accommodate agency splits, overrides and other arrangements
- Payments can either be directly to agents or to our client partners to be consolidated with other payments

Q – What information is available on your agent portal?

Wilton Re's agent portal is designed to provide our private label partner's distributors with the information they need to successfully manage their clients.

- Underwriting status
- Issuance date and time
- Commission amounts and payment dates
- E-mail alerts for impending lapses, surrenders
- E-mail alerts for death

Private Labeling Solutions – Implementation, Governance, and Financial Considerations

Q – How does Wilton Re organize its implementation of private labeling arrangements?

Wilton Re will provide experienced project managers and supporting subject matter experts within the firm and from our BPO partners. Generally, our clients provide the same, with a primary lead project manager and subject matter support covering:

- Pricing and product actuarial
- Distribution and sales support management
- Agent training
- IT and customer service operations
- Legal and compliance
- Financial reporting and analysis

Our project managers are experienced with navigating the interests of all the disciplines involved in the project, greatly reducing the time required of our client partners.

Q – How does Wilton Re coordinate with our company after implementation?

We work in partnership with our client companies to ensure timely reporting of policy, transaction and financial information relating to the private labeled business. As part of the planning and implementation of the arrangement, key points of integration and supporting reports are identified and developed to ensure the business is being monitored in accordance with management's requirements.

In addition, we hold business review meetings on a quarterly basis that encompass all relevant aspects of the arrangement: distribution trends and sales, new business composition, lapses and surrenders, distributor patterns, and operational and financial performance. The business review meetings are a cooperative approach to trying to make our programs more successful. The business will be re-priced with full embedded analysis at least annually.

Q – What are the financial benefits of private labeling arrangements?

Private labeling with Wilton Re provides financial benefits during development and on a go-forward basis for the life of the business. Companies avoid costly system build-outs by leveraging Wilton Re's existing systems and processes. Development costs are limited to those required for the tailoring of systems to reflect our clients' specific requirements. The cost is generally a fraction of those usually incurred in-house for product implementation. Additionally, clients, and their product pricing, benefit from the highly competitive issuance and policy administration costs on Wilton Re's BPO administration platform.

Both during development and throughout the administration of the business, clients benefit from Wilton Re's licenses for the policy and underwriting systems supporting the business. Clients avoid these costs and any costs of ongoing maintenance. In addition, clients receive Wilton Re's marginal cost for administration, eliminating cost inefficiencies due to lack of scale for new initiatives.

Private Labeling Solutions – Risk Management and Reinsurance Aspects

Q – What are the reinsurance aspects of private labeling arrangements?

Reinsurance is central to all our private labeling arrangements. We assume a pro-rata share of the underlying policies issued through our arrangements. Reinsurance is generally:

- On a first dollar, coinsurance basis
- Reinsurance share reflects sales expectations
- Breakpoints can be incorporated

Wilton Re will only enter into arrangements for risks with which we are comfortable. To the extent our clients are less experienced with simplified issue products, we are pleased to assume the great majority of the business, and reduce our quota share percentage as experience develops.