

BLOCKCHAIN & INSURANCE

 AN EDUCATIONAL WORKSHOP SERIES

IN PARTNERSHIP WITH



There Are Four Classes to This CIAB Course

Class 1

Blockchain & Insurance 101:
How Did We Get Here? What is
Blockchain?

Class 3

Blockchain & Insurance 103:
How are Businesses Using
Blockchain?

Class 2

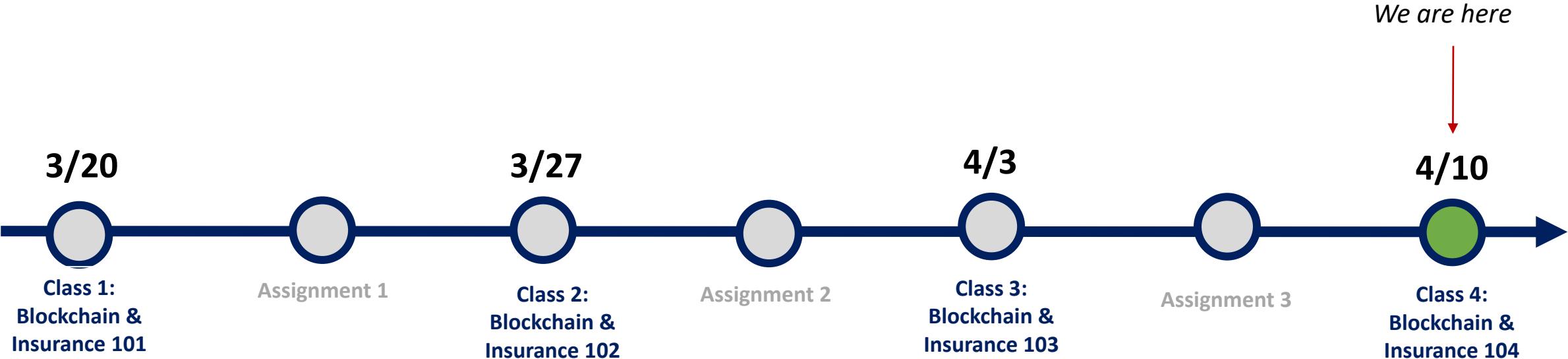
Blockchain & Insurance 102:
Deeper Dive into Blockchain,
Cryptocurrency and Smart
Contracts. Introduction to Private
Chains.

Class 4

Blockchain & Insurance 104:
Blockchain in Insurance – Use
Cases and Consortia



Course Timeline



Blockchain and Insurance 102 Review



Insurance Pain Points



Insured

- Poor Customer Experience
- High Premiums
- Slow Entry into Emerging Markets
- Weak Product Innovation



Insurer

- High Administrative Costs
- Costly Intermediaries
- Fragmented Data Sources
- Manual Processes
- Fraud Prone
- Stringent Regulation



Why blockchain for Insurance?

Pain Points



Insured

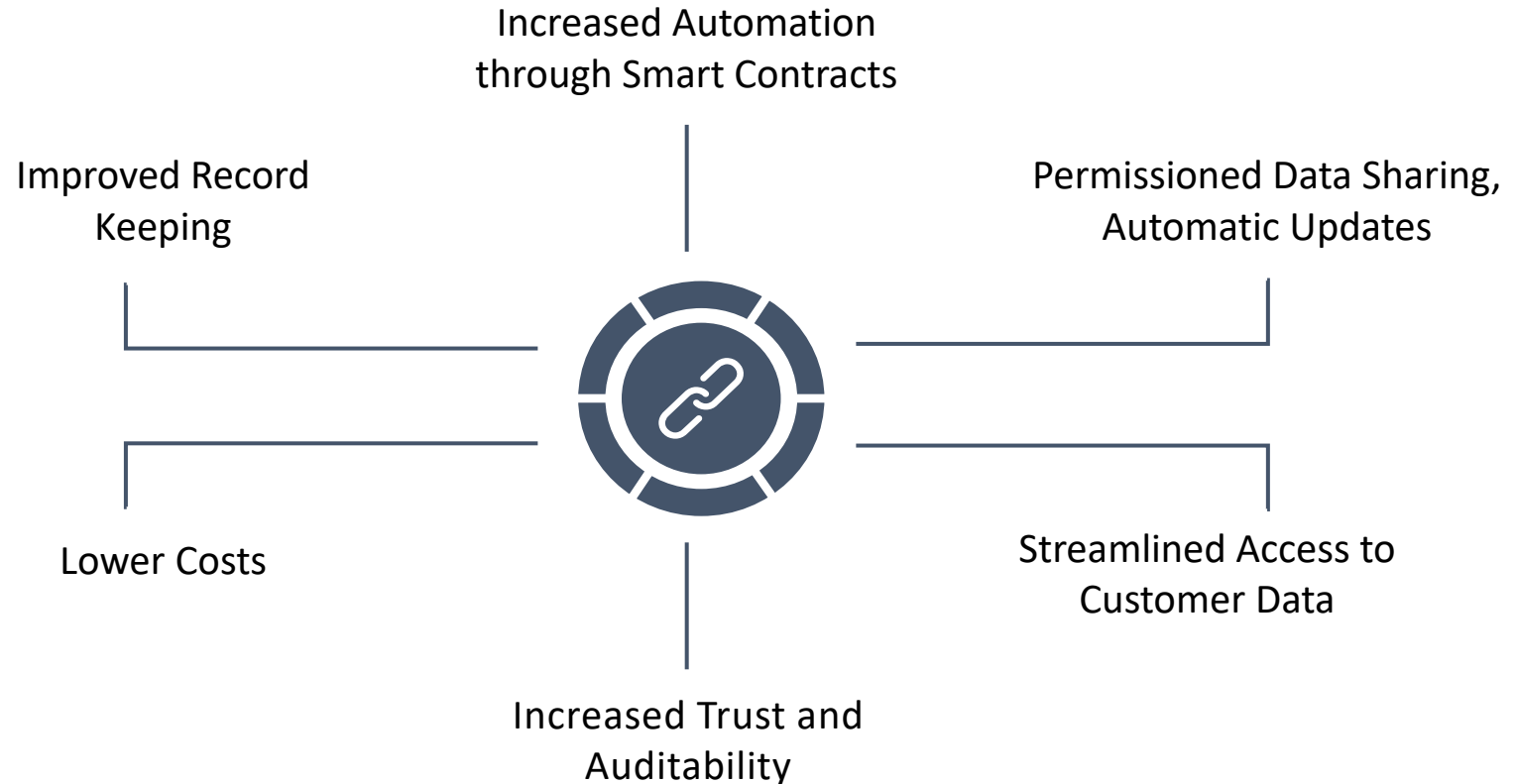
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Insurer

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Benefits

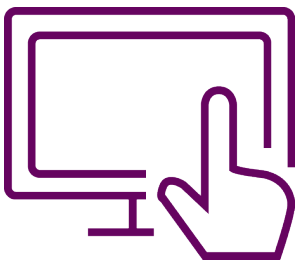


Insurance and Risk Management: Some Use Cases



Blockchain Use Cases Across Entire Insurance Value Chain

Products,
Pricing and
Distribution



Underwriting
and Risk
Management



Policyholder
Acquisition and
Servicing



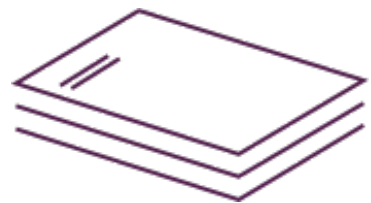
Claims
Management



Finance,
Payments and
Accounting



Regulatory and
Compliance



Blockchain Use Cases Across Entire Insurance Value Chain

Products, Pricing and Distribution



- Parametric Insurance
- Insurance included in transactional purchases
- Mobile insurance for developing countries



Blockchain Use Cases Across Entire Insurance Value Chain

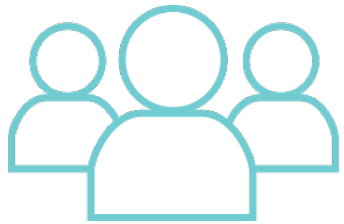
Underwriting and Risk Management



- Provenance
- Data sharing and risk registries
- Peer-to-peer insurance

Blockchain Use Cases Across Entire Insurance Value Chain

Policyholder Acquisition and Servicing



- Policyholder acquisition
- Placement documentation
- KYC/AML



Blockchain Use Cases Across Entire Insurance Value Chain

Claims Management

- Fraud register
- Automation of claims process
- Multi-layer claims settlement



Blockchain Use Cases Across Entire Insurance Value Chain

Finance, Payments and Accounting

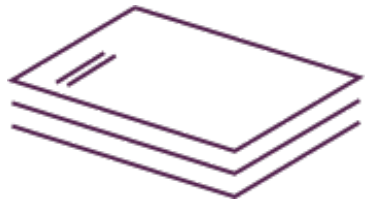


- Netting and payments across countries
- Subrogation
- New forms of raising capital

Blockchain Use Cases Across Entire Insurance Value Chain

Regulatory and Compliance

- Real-time regulatory monitoring
- Educational license catalog
- Proof of insurance verification



Zoning in on a Few Use Cases



The RiskBlock Alliance and its members are defining four initial use cases to address key industry challenges and improve operational efficiency

	Problem Addressed	Solution Provided
Proof of Insurance	Insurance policy validation is performed both physically and digitally, but the process can be complex and costly	<ul style="list-style-type: none"> ▪ Institute electronic safekeeping ▪ Enable real-time access to information
Parametric Insurance	Insurance product that is triggered when a low-frequency, high-severity event occurs; only represents a small portion of the P&C market, but has large potential to expand	<ul style="list-style-type: none"> ▪ Expand parametric insurance offerings ▪ Automate data collection and contract execution
First Notice of Loss	Initial claim made to insurance provider following the loss, theft, or damage of an insured asset; process can be made simpler	<ul style="list-style-type: none"> ▪ Optimize information flow and notifications ▪ Facilitate data sharing ▪ Act as immutable record
Subrogation	Exchange between insurers to collect money from the party legally responsible for a loss; opportunity for process to be streamlined	<ul style="list-style-type: none"> ▪ Facilitate netting of payments ▪ Optimize efficiency and streamline process

Potentially Improved Operational Areas

	Product Features / Structure	Claims Investigation	Claims Negotiation & Settlement	Claims Processing	Finance, Payments & Billing	Regulatory Reporting / Risk	Information Technology
Proof of Insurance		✓				✓	✓
Parametric Insurance	✓		✓	✓	✓		✓
First Notice of Loss		✓	✓	✓		✓	✓
Subrogation			✓	✓	✓		✓

Our RiskBlock Journey



The RiskBlock Alliance

2016

- The Institutes blockchain thought leadership commences
- Discussions with developers begins
- Recommendation to Institutes board on formation of blockchain consortium

2017

- The Institutes become founding member of EEA
- The Institutes Board selects initial four use cases, provides seed money for blockchain work
- The Institutes form blockchain working groups and team with ConsenSys on development
- Over 40 organization involved in working groups
- The Institutes complete four PoCs
- The Institutes board approves formation of The RiskBlock Alliance
- Work with Deloitte on consortium strategy and framework commences
- RiskBlock – 1st in-person meeting held
- RiskBlock begins work on technical architecture and in late 2017 opens to paying membership
- RiskBlock and Nationwide bring Proof of Insurance blockchain application to beta form of production

2018

- RiskBlock holds 2nd In-person meeting
- RiskBlock begins RFP process for technical build on remaining pieces of architecture and remaining use cases
- RiskBlock plans commence on new working groups



Discussion on RiskBlock



The RiskBlock Value Proposition



Questions



Questions? Comments?

Let's keep the conversation going on twitter. Feel free to [@PatrickG_Schmid](https://twitter.com/PatrickG_Schmid) and use the [#blockchaininsurance](https://twitter.com/hashtag/blockchaininsurance) hash tag

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