

A background image showing a white toy car at the top, a magnifying glass on the right, and a document with the words "INSURANCE POLICY" and "TERMS AND CONDITIONS" printed vertically in large, bold, uppercase letters. The document is slightly out of focus, and there are some faint, illegible text fragments visible through the magnifying glass.

INSURANCE  
POLICY  
TERMS AND CONDITIONS

## The time has come for *P&C insurers* to adopt new strategies to fulfill their promises

Major U.S. Property and Casualty carriers are making news by their recent decisions to exit geographies and re-underwrite unprofitable blocks of business. These decisions are garnering the attention of the media, consumers and likely regulators.

The withdrawal of major players from selling new property and casualty policies in California (Florida, etc.) is shaking up the state's insurance market in recent weeks. It is only a guess as to what carrier will be the next to decide to withdraw from a market due to profit challenges.



## The Problem

# The *insurance industry* is under a lot of stress

The traditional moves that carriers possess to deal with stressful markets, catastrophic weather, and weakening economic conditions are rate increases, revising underwriting rules and eventually geographic or line exits. In the current market, it is understandable to tighten up

during unprecedented inflation, broadening severity of claims and more frequent large tail weather events. The cost of claims exploded in recent years and carrier rate filings are not keeping pace with the increasing claim costs.

*“Decisions to exit markets and re-underwrite impact the individual carrier’s brand and reputation and the entire industry more broadly. While these decisions may make actuarial sense, the fact is that such strategic moves may be unnecessary.”*

In fact, there are platforms that help carriers provide individualized profitability predictions instead of other approaches such as changing rates, underwriting rules or eventually leaving a market.

These platforms, converging with the immense and real-time data available, are deployable and scalable for carriers to use to make better strategic decisions that benefit consumers and carriers.



## The Problem

# The costs to repair and rebuild are *increasing*, regardless of the line of insurance

As cars and homes become more technological machines and properties, and costs of materials to repair skyrocket, claims severity will not break from the current fever.

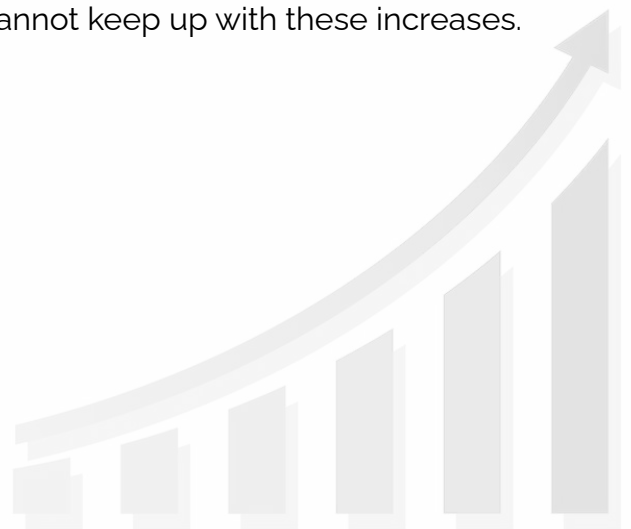
Regulators across the United States are also in place to protect consumers and will push back on excessive rate increases passed along to consumers in their respective states.

Simply put, the cost to rebuild a home is increasing due to macroeconomic conditions that are not lessening, such as materials and labor. This is not an anomaly. It applies equally to the cost of repairing a vehicle.

It goes without further saying that the U.S. healthcare sector is facing its own crisis and the cost of medical care is ever increasing.

Combine all of this with an incredibly stressed reinsurance market and the corresponding cost increases and we are in a perfect storm for much of the property and casualty industry.

The cost of business has gone up, is continuing to go up, and carriers cannot keep up with these increases.



## The Problem

# Behind *each story* of exit, cancellation or large increase is an individual customer

The industry takes great pride in making people whole during a loss and strives to help people rebuild at a moment the family desperately needs the help to do so.

**Many individual consumers are finding it more difficult to find coverage at rates they can afford.**

As more and more people fall into this coverage gap, the industry must act to fulfill its promises and stand in the esteemed place the industry so deserving has for decades.

To continue offering valuable insurance products for the next 100 years, carriers need to leverage new platforms and tools.

These are accessible today, and offer the ability to help thousands of consumers across our nation.



## The Solution

Pinpoint provides P&C insurers **the earliest and most accurate loss predictions and risk scores** to fast-track profitable growth.

Pinpoint's platform leverages deep learning, proprietary behavioral economics data, and trillions of individual behavioral predictors to help insurers identify the customers for whom they have an adequate rate today.

*Pinpoint has been certified by a third party audit as a fair and equitable method of predicting risk.*

With Pinpoint, no more guessing if someone will be a good risk when you have an individual's future loss ratio at your fingertips.

**With just a name and address, a carrier can make accurate loss predictions on each individual prospect at pre-application or at pre-renewal.**



Instead of using broad classes of people, **Pinpoint's platform works at the individual behavioral level.** Our AI-powered platform leverages trillions of behavioral data points, enabling a carrier to quantify the true loss cost of customers who might be unnecessarily passed over.

Pinpoint also helps you stratify risk better and ensure price adequacy in the most equitable and unbiased manner possible.

We equip our carrier partners with the operational ability to generate and deploy custom predictions in batch and real time within hours - the fastest time to value in the insurance ecosystem today.

We commit to helping our partners find undiscovered opportunities and ensure profitable growth from the start.

Pinpoint is passionate about growing the industry intelligently in all geographies, rather than leaving consumers with fewer and costlier options. Insurance carriers have an obligation to operate our businesses profitably for our stakeholders and offer products that protect consumers and businesses.

These fundamental premises can exist together, but the industry needs to move on from the past levers to help customers in a fair and equitable way.

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**If you want to learn more about how Pinpoint has been helping carriers to grow profitably in challenging markets, reach out to our team for a demo.**

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