Insurance for Life

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Ameritas
fulfilling life

Submitted to
The Faculty of the School of Information Technology
In Partial Fulfillment of the Requirements for
The Degree of Bachelor of Science
in Information Technology

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April 2016

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Abstract

The application educates a user about life insurance, explains investment options of different life insurance plans, and performs customer profile analysis. Graphs and sliders are responsive to user input, allowing future planning life events, i.e. “how monthly payments would increase if you wanted to add my children’s college tuition?”, or “what happens with my insurance needs during various life stages.

Introduction

Eighty five percent of consumers agree life insurance is essential, yet only 62% have it (limra.com). Some think it's too expensive; some don't want to be hassled consulting an agent. Ameritas Life Insurance Corp proposed an idea of a web-based solution for customers and insurance agents, which would connect consumers with company offerings in a new way.

Problem

It is hard to lay out all company proposals to a consumer in a simple way. Economy and insurance concepts are complicated, and there are no materials that Exist on the company website, that would simplify insurance for a potential customer. The problem that insurance agents are dealing with while talking to customers over the phone is not only convincing them why to get a life insurance policy, but also explaining the various plan investment options.

When a customer is shopping for a life insurance, they sometimes focus only on their current situation. But an average person goes through typical life events, such as getting married, having a newborn, saving for their child's college tuition, and having all the kids to pursue their own lives. While a person goes through these life stages, life insurance coverage needs are fluctuating. For example, if you are the head of the household in your 40s, your life insurance needs are at the peak. Alternatively, your coverage needs are the lowest when you are 20 and going to college, or if you are 65

and retired. Existing materials are verbose and non-visual, making it difficult for consumers to understand the content.

Solution

The project provides a web application solution and helps a potential customer to understand the necessity of life insurance, allows them to enter basic profile demographics, which will be used to present a goal for needs-based coverage as well as a selection of plans offered. Various plans will be suggested according to the customer's life stages and financial situation. Simplicity and gamification is a key, therefore materials will be presented through the story the user is taken through. Through the story the user fills in demographics profile partially, and this information is used for later analysis.

It is important to communicate to a user that life insurance can be an investment as well, and act as a savings account. Accumulating interest not required to be reported to IRS. Interest accumulates on a tax-deferred basis, which means no taxes on growth in invested premiums, and moneys are available upon request without any penalties. After 20 years, for example, some plans offer variable or guaranteed investments that can be taken out periodically without affecting the policy death benefit.

Figure1 is demonstrating how standard life events shape life insurance needs for an average person. Coverage needs are presented only for illustrative purposes and will vary for every consumer.

Figure 1: Life insurance Needs throughout life events

Another market differentiating solution, the project will provide is the ability to model changes in customer circumstances (such as a new child is planned for a few years down the road) not typically considered by insurance agents. Such changes in the consumers needs should be reflected in recommendations for other life insurance types in the future: different benefits offered, different monthly installments, different payment plans. A customer will be able to plan insurance changes for life based on suggestions that are made by the application. For example, when a customer is 20, it might be suggested to get a plan that enables them to invest in savings for the future. When a customer hits 30, married, and expecting a child, it might be suggested to add term life insurance to protect the family while the child is young.

There is a potential to get a discount if to prove a healthy lifestyle. Therefore application has to integrate with third party API of popular fitness trackers like Fitbit or Google Fit. Application has to be able to import user workout progress data and analyze their performance granting a qualified discount (Figure 2).

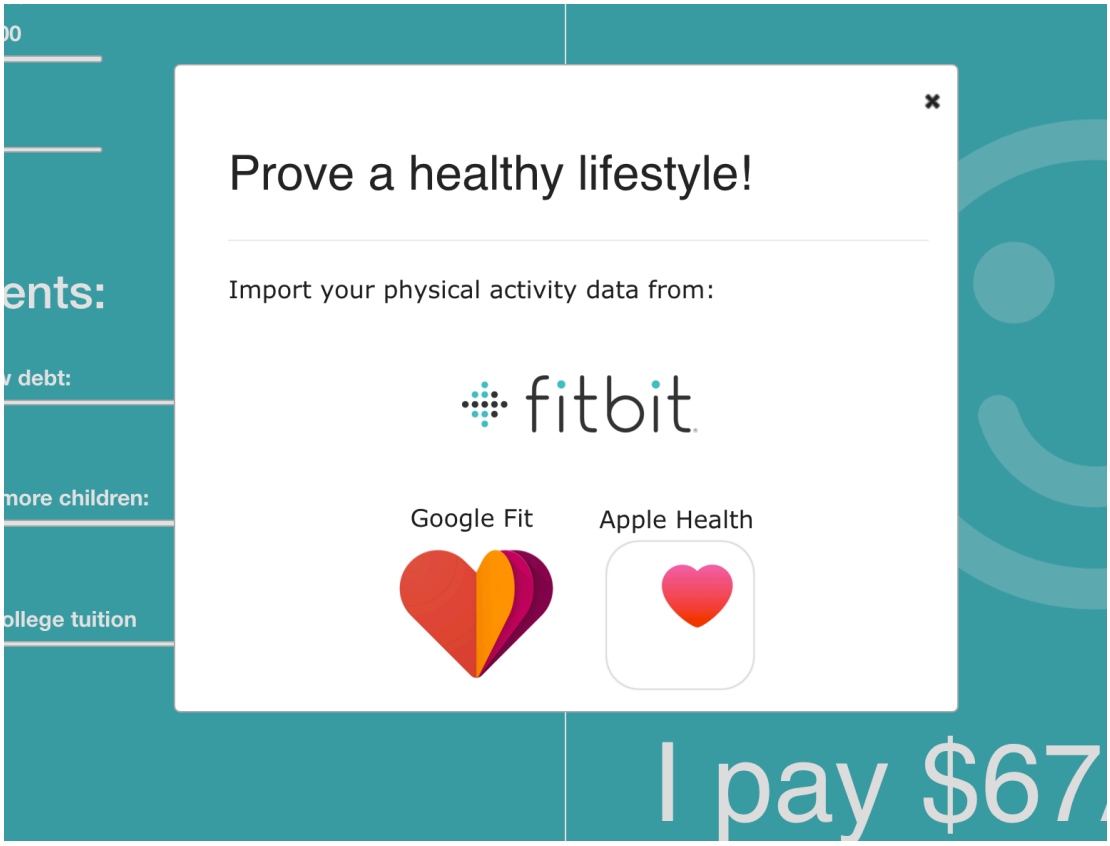


Figure 2: Integration with 3rd party fitness tracker APIs

Technology Stack

The web application was built using Java and JavaScript languages, Angular JS, JQuery and Spring Boot platforms. It will reside in a Local SVN code repository, in the Ameritas codebase. Jenkins will provide the continuous delivery platform and Sonar will be used for automated code analysis software.

User Profile

Refer to Figure 3 for User Case Diagram.

1) A consumer, who is interested in what benefits a life insurance policy can provide, but doesn't have time to go through a large volume of difficult to understand information.
2) A consumer that may not need life insurance, but is wondering about alternate investment strategies.

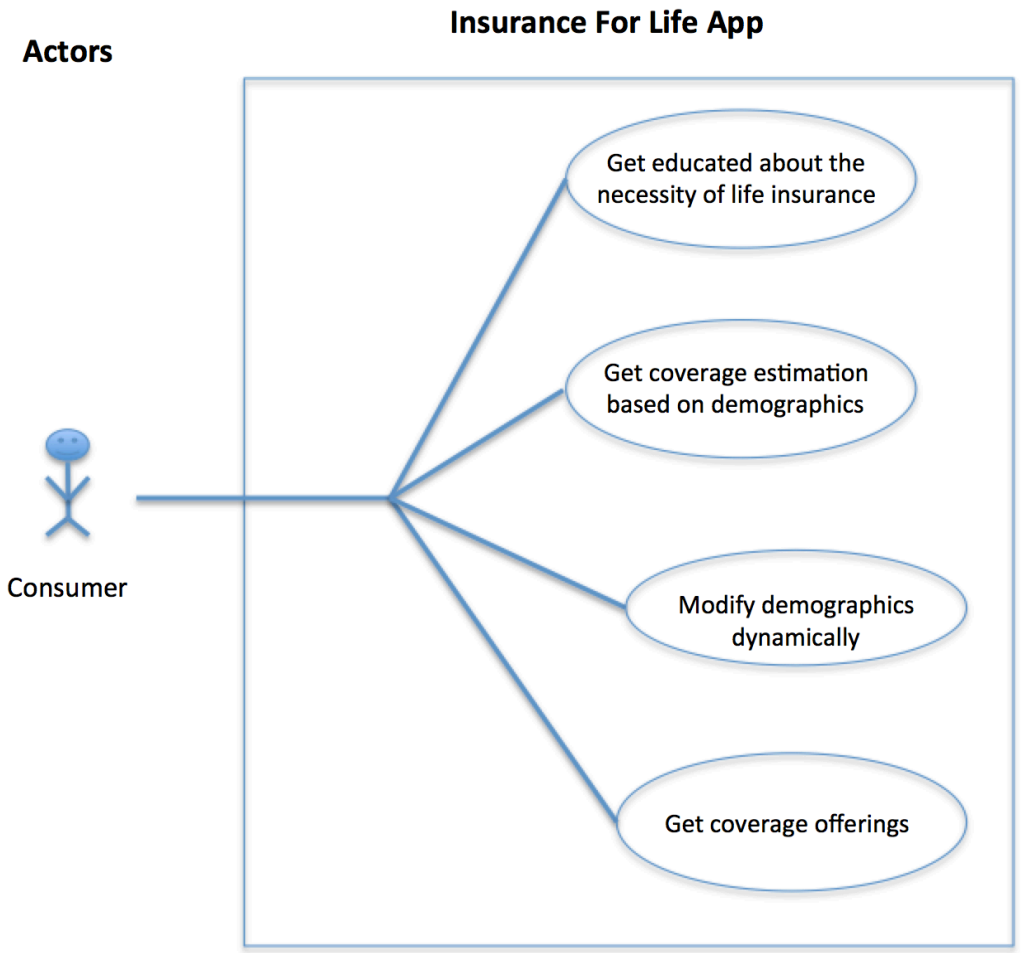


Figure 3: User Case Diagram

Technical Architecture Diagram

Refer to Figure 4 for Technical Project Architecture Diagram. It describes how project components interact with each other.

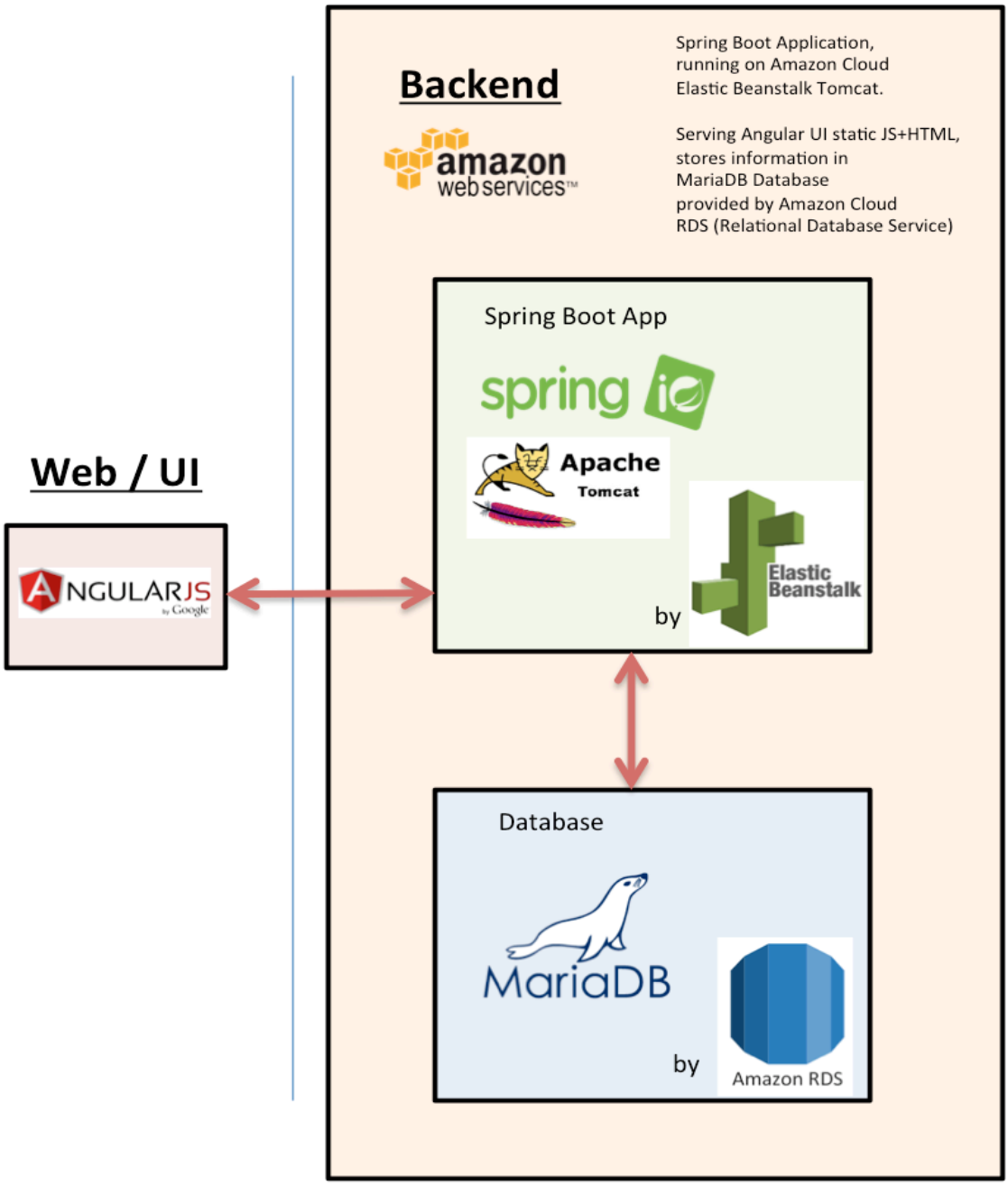
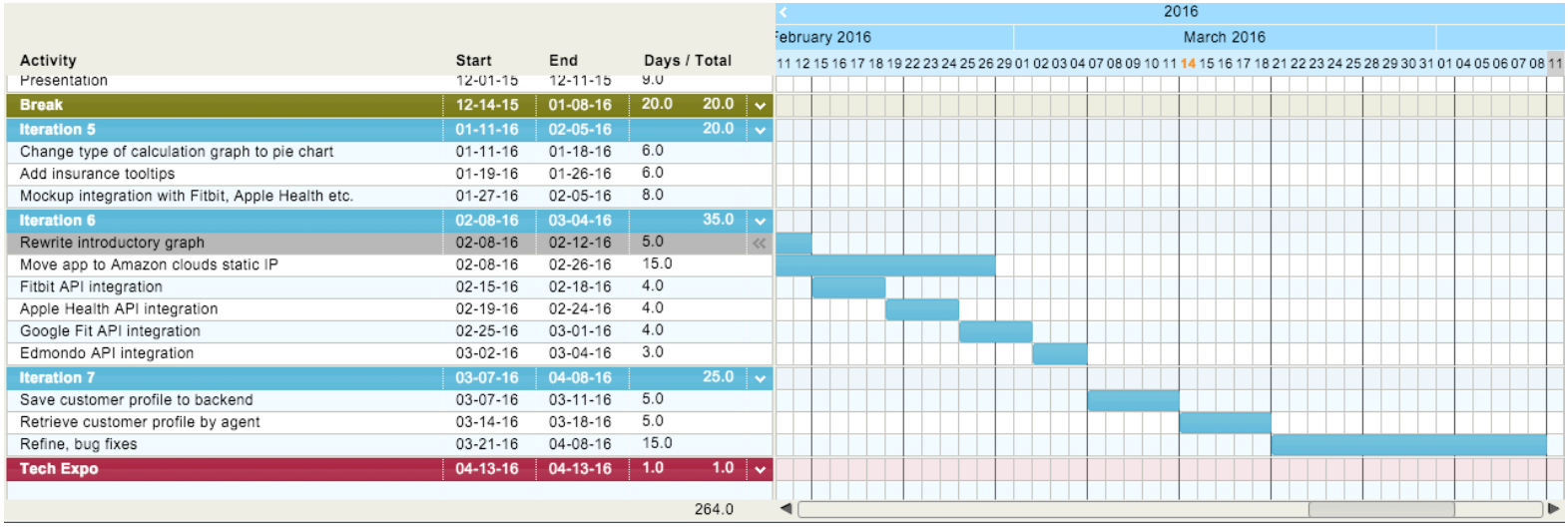


Figure 4: Technical Architecture Diagram

All application components are running inside of Amazon Cloud Service - Elastic Bean Stalk. “Insurance for Life” is a Java based Spring Boot application (http://projects.spring.io/spring-boot/) that is running on provided Apache Tomcat application server. Application will be connecting to Amazon Cloud provided MariaDB database via Spring Data JPA entity mapping powered by Hibernate (http://projects.spring.io/spring-data/).

Timeline



Activity	Start	End	Days / Total	
Presentation	12-01-15	12-11-15	9.0	
Break	12-14-15	01-08-16	20.0	20.0
Iteration 5	01-11-16	02-05-16		20.0
Change type of calculation graph to pie chart	01-11-16	01-18-16	6.0	
Add insurance tooltips	01-19-16	01-26-16	6.0	
Mockup integration with Fitbit, Apple Health etc.	01-27-16	02-05-16	8.0	
Iteration 6	02-08-16	03-04-16		35.0
Rewrite introductory graph	02-08-16	02-12-16	5.0	
Move app to Amazon clouds static IP	02-08-16	02-26-16	15.0	
Fitbit API integration	02-15-16	02-18-16	4.0	
Apple Health API integration	02-19-16	02-24-16	4.0	
Google Fit API integration	02-25-16	03-01-16	4.0	
Edmondo API integration	03-02-16	03-04-16	3.0	
Iteration 7	03-07-16	04-08-16		25.0
Save customer profile to backend	03-07-16	03-11-16	5.0	
Retrieve customer profile by agent	03-14-16	03-18-16	5.0	
Refine, bug fixes	03-21-16	04-08-16	15.0	
Tech Expo	04-13-16	04-13-16	1.0	1.0
			264.0	

Figure 5: Project Timeline

Gantt chart link online: https://www.tomsplaner.com/public/piddubetskyy

Proposed Budget

Development will be done on the Intellij IDEA development platform; the personal license cost is $100. The rest of the software and frameworks are open-source and free. When the project is finished, it will be presented to senior leaders at Ameritas for approval. If approved, the project will get funding and development of the next set of features will commence.

Conclusion

The proposed “Insurance for Life” project will help Ameritas Life Insurance Corp reach out to consumers, and let them start thinking about life insurance as an income replacement strategy during retirement to secure their future. The project will help to present Ameritas offerings to less-educated consumers, and can assist agents in making suggestions for building a balanced portfolio. It will help a consumer understand and separate “Growth” and “Use” investment strategies, and explain how simple life insurance products can be used to complement both strategies. Insurance offerings can be adapted to changing customer demographics and life situations, making “Insurance for Life” an important tool for targeting Millennials, that might prefer internet-based advice to work directly with an agent.

References

"Nearly 20% of Consumers Willing to Purchase Life Insurance from a Retail Outlet, Such as Warehouse Club or Superstore." Limra.com. Web. 4 Dec. 2015. <http://www.limra.com/Posts/PR/News_Releases/Nearly_20__of_Consumers_Willing_to_Purchase_Life_Insurance_from_a_Retail_Outlet,_Such_as_Warehouse_Club_or_Superstore.aspx>.

Dmytro Piddubetskyy

Insurance for Life

Ameritas

Problem

Life insurance is

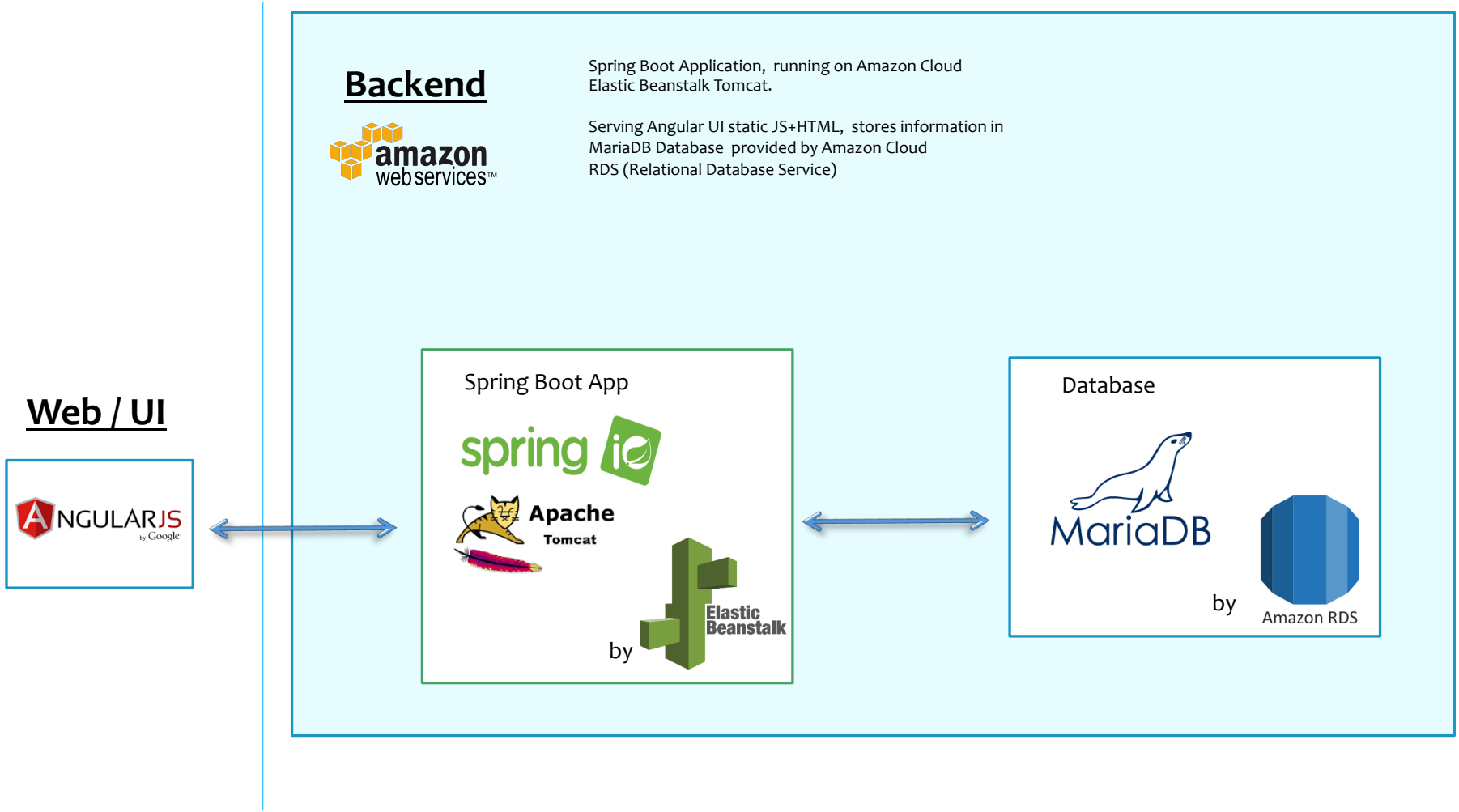
* Sophisticated
  * Requires an agent
* Dynamic
  * Life stage change
* Agent -> customer

Solve this!

Target -> average person

* Educate
* Interest
* Suggest

Architecture



Demo

http://life-dev.us-east-1.elasticbeanstalk.com/app/intro.html

Conclusion

* New market segment
* Planning life events
* Content delivery idea
* Platform to introduce other products
  * disability income
  * retirement plans
  * annuities
  * dental
  * hearing

Insurance For Life

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Technical Advisor – Robin Carew

Problem

Insurance and economy concepts have reached a certain level of sophistication nowadays, requiring a professional agent involvement almost exclusively. Industry-wide, there is a need to make educational materials self-discoverable and easy to understand for potential customers.

Ameritas Life Insurance proposed an idea for a web-based solution for customers and insurance agents, which would engage customers with company's offerings in a new way.

The application needs to educate and inform a customer about life insurance, perform a profile analysis, and make suggestions for planning life events.

Solution

A web-based application:

- ❑ Explains why to get life insurance
- ❑ Builds a profile based on provided customer demographics
- ❑ Makes insurance suggestions
- ❑ Helps to plan for life events

It is essential to not only focus on a customer's current situation, but to be able to plan for the future. Family needs change constantly, and life insurance has to evolve along with them.

Technologies

ANGULAR · HTML · CSS · JS · spring · amazon web services · Java · IntelliJ IDEA

Acknowledgements

Enterprise sponsor:
Ameritas Life Insurance Corp.

Enterprise advisors:
Mike Wells (Ameritas, Director of IT)
Rich Wiedenbeck (Ameritas, CIO)

Academic advisors:
Tech. advisor Robin Carew
Prof. James Scott
Dr. Patrick Kumpf

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