



CASE STUDY

Leading Insurance Provider Sees Significant Lift in Death Data With TransUnion TruLookup™ Deceased

Our analysis has shown that since 2011, the Social Security Administration's Death Master File (DMF) — historically the top death source in the US — has experienced more than a 70% drop in size.¹

A change in the interpretation of Section 205r of the Social Security Act² triggered the deterioration, making it a less comprehensive source to identify deceased insureds. In fact, a CDC study revealed that the Death Master File provides less than 23% coverage of the CDC's reported deaths in the US.³

For life insurers, the degradation of the Death Master File poses a significant challenge, making it difficult to monitor for deaths against policies to ensure they're fulfilling their compliance obligations to pay owed claims to beneficiaries. For providers of other ongoing benefits such as disability and pensions, it creates the risk of benefit overpayment when relying on this data, adversely impacting profitability.

SCENARIO

To combat the growing challenges of a shrinking Death Master File, a major insurance provider sought a better tool to confirm deaths and initiate claims in a timely, accurate and secure manner.

To improve the performance of its model, the insurer wanted to increase the number of deaths in its data universe and included policies that were not in-force, where the insurer did not know if a client had died. Additionally, because the insurer did not have death data on declines — its worst class — the model had room for optimization.

The insurer turned to TransUnion's TruLookup™ Deceased — which uses its superior matching capabilities and data assets to identify potential deaths — to bolster its death information on clients.

For the initial proof of concept, the insurer sent TransUnion a sizeable volume of client records to gauge both the performance and lift of TransUnion's death information. Further, the insurer oversampled on older ages to capture more death information.

The insurer filtered to policies in-force and made a determination that:

- ✓ **Nearly 10% had already died**
- ✓ **Nearly 50% were still in-force**
- ✓ **The remaining policies terminated early**

RESULTS

TruLookup™ Deceased illustrated a 95% match rate on death records

The proof of concept gave the insurer confidence in the value of TransUnion's TruLookup™ Deceased solution as benefits of both performance and lift became clear, as outlined below:

Performance

From the sample of policies, where the insurer knew the policyholder had died or were still in-force, the insurer and TransUnion agreed on the status of the client approximately 95% of the time. Specifically, the insurer and TransUnion agreed the client was alive roughly 80% of the time and deceased about 15% of the time.

Lift

From the sample of policies, the insurer realized an increase of approximately 7% in death status from policies that terminated early, such as non-takers and declines, keeping in mind the proof of concept was oversampled on older ages by design.

After stratifying lift by age and applying it to early terminations, the insurer anticipates seeing a lift of nearly 2% on 1.4 million client records and gains of 20,000-25,000 additional deaths from TransUnion moving forward.

Ultimately, the insurer expects to increase its death data, especially among declines with higher risk, and improve its model's performance.⁴

LEARN MORE

TransUnion's TruLookup™ Deceased uses sophisticated linking of data sources to help life insurance providers identify missing deaths and leverages a combination of low latency data sources and our proprietary matching algorithms.

Our solution is designed to yield actionable matches by optimizing results and minimizing the return of false positives.

With TruLookup™ Deceased, you can:

- ✓ **Increase efficiency** – streamline processes and improve performance with superior matching logic and reduced latency
- ✓ **Improve accessibility** – access consolidated data sources through a single solution
- ✓ **Supplement compliance** – create an auditable trail for regulatory requirements

¹ TransUnion internal analysis

² Us Dept of Commerce Change in Public Death Master File Records (ntis.gov)

³ Centers for Disease Control and Prevention, National Center for Health Statistics. Multiple Cause of Death Files, 1999–2020, compiled from data provided by the 57 vital statistics jurisdictions through the Vital Statistics Cooperative Program.

⁴ This scenario is provided solely for illustration purposes of TransUnion's TruLookup™ Deceased, and is not a guarantee of performance results which will vary depending on a company's individual factors.

Enjoy flexible access to superior data – how and when you need it. To learn more, call 800-856-5599 or visit transunion.com/trulookup.

