Lee Oliphant sees application activity for younger consumers starting to increase. (Photo: MIB Group)

The head of an insurance industry support organization founded in 1902 is still looking for ways to grow.

Lee Oliphant, president of MIB Group Inc., talked about his idea for expanding the Braintree, Massachusetts-based risk exposure organization's horizons earlier this week in an interview.

Insurers started MIB in an effort to share information they could use to determine whether consumers were misrepresenting or omitting significant information from applications for life insurance, medical insurance or other health-related insurance products. Automation, integration and digitization are creating the kind of connected insurance that customers and advisors are hungry for.

Today, life insurers use MIB databases to check the information on applications for almost all individually underwritten life insurance sold in the United States and Canada. Insurers also use MIB to check applications for individual disability insurance, long-term care insurance and other products.

A MIB unit uses life application checking data to produce monthly, quarterly and annual life application activity statistics.
For December, for example, application activity was 0.3 percent higher than in December 2015. **Related:** Life insurance application activity rose 0.3% in December

In recent years, Oliphant said, the industry has been investing heavily in efforts to reach to consumers through the web and to speed up the application process, to reverse a drop in sales to people under the age of 45.

This year, sales to younger consumers appear to be starting to rebound, Oliphant said.

"There's a little bit of a demographic shift," he said.

MIB gets most of its data from the insurance applications and application-related records sent to member companies. It also gets data from state motor vehicles departments.

In some cases, for example, MIB records might show that an applicant mentioned diabetes or a skydiving hobby on one application, then left the information off the application being checked.

MIB describes itself as an organization that can help insurers reveal hidden risk. Here are some of Oliphant's ideas for ways to broaden its mission.

Lee Oliphant has ideas about ways to expose potential risk for new clients, and expose more potential risk for existing clients. (Photo: Shutterstock)

**1. Major medical insurance**

Before the [Affordable Care Act](https://www.kff.org/insurance/issue-areas/affordable-care-act/) major medical health underwriting restrictions took effect in January 2014, most U.S. states allowed health insurers to screen applicants for health problems. Many health insurers used MIB services for that purpose.
That business went away in January 2014.

Efforts in Washington to change the ACA bring back health insurers’ ability to use of medical underwriting, and demand for MIB services, Oliphant said.

"It will be interesting to me to see if it returns," Oliphant said.

If policymakers allow use of medical underwriting for people who have failed to maintain continuous coverage and need special high-risk pool coverage, the risk pool application process might increase the need for application checking, he said.

Even today, under existing ACA rules, health insurers can still charge smokers more for coverage. MIB might be able to help health insurers verify whether consumers who say they are nonsmokers are really nonsmokers, Oliphant said.

2. Identity validation
MIB already works with an outside company on helping insurers protect against identity fraud.

Oliphant said that identity theft is becoming a bigger problem, and that MIB might be to do more in the identity validation market.

3. Life Insurance
Today, doctors, hospitals, insurers and patients are making more use of electronic health record systems.

MIB is looking at ways to help life insurers pull EHR information into their underwriting systems, Oliphant said.

Applicants already have physicians send insurers attending physician statements, but pulling the information from EHR systems would be quicker and cheaper, Oliphant said.