

## [Big Data TMI and the impact on policyholders](#)

The terms “Big Data”, “Data Mining” and “Price Optimization” are all the buzz in insurance circles and among state insurance regulators. They, non-profit consumer advocates, the private bar, and the Federal Insurance Office are all diving into whether the massive amount of personal data that’s now available to insurance companies is tipping the scales away from the best interests of consumers and the healthy spread of risk.

Insurers used to pick from 90 rating classifications such as your driving record, address, age, and vehicle. Now they can pick from thousands of them. Your personal finances, what, when and where you eat and shop. What your hobbies are...Data miners are giving your insurer a lot more information about you than they used to have. Whether or not you think this is fair, it’s happening.

At a recent Society of Actuaries meeting in Nevada, I outlined [consumer concerns](#) as a speaker on a panel that included a state insurance regulator and two industry professionals. We had a lively exchange and I came away thinking:

Keep in mind that your digital devices are a potential information portal for your insurance company (along with many other businesses) to learn a heck of a lot about you. Some of what they learn may make you a less desirable customer and cost you money. So think before you post. And if you feel your privacy has been invaded, or you’re being overcharged unfairly, [let your state insurance regulator know ASAP](#). We’re all trying to keep UP.