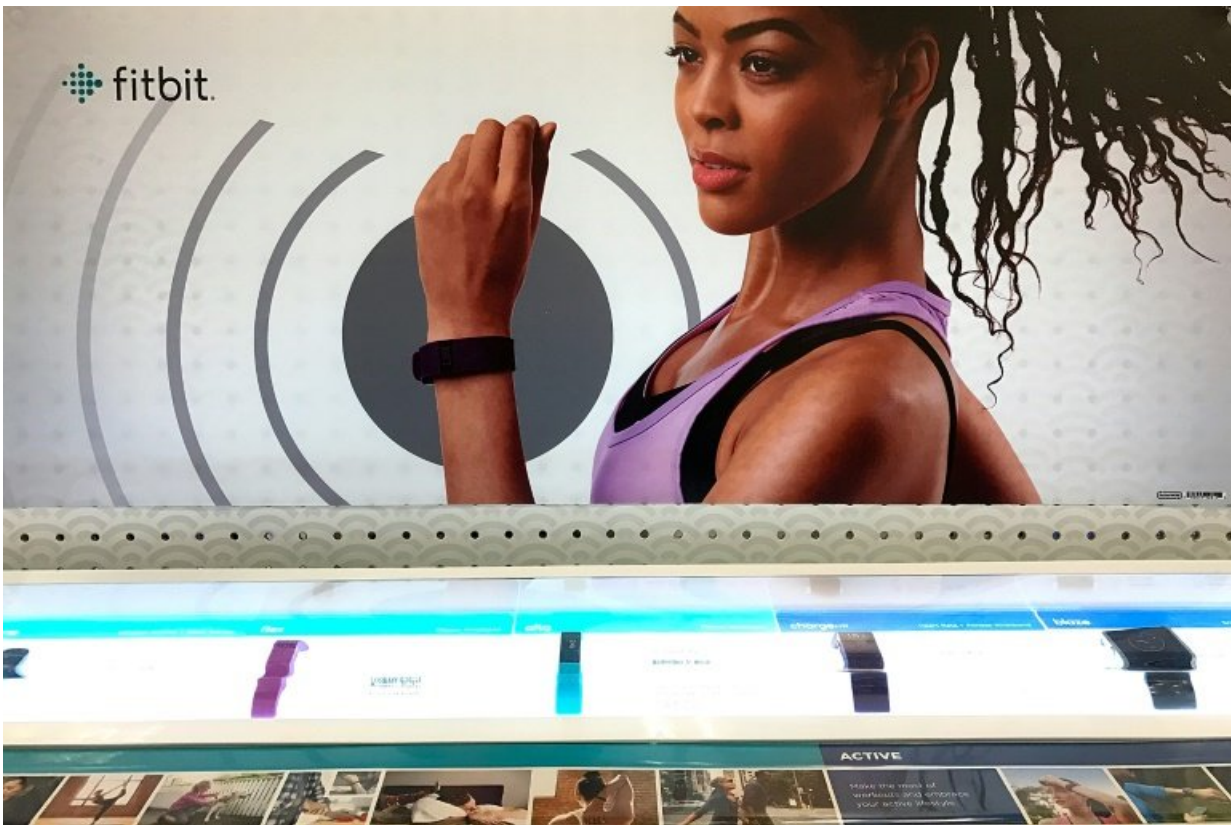


Big life insurer shifts to activity tracking in health push

September 21 2018, by Rob Lever



Insurance group John Hancock will be encouraging life insurance policyholders to track activity with devices like the Fitbit

Financial giant John Hancock is converting all its life insurance policies to an incentive-based system using activity tracking, a move aimed at

promoting healthier lifestyles but which also raises privacy questions.

The Boston-based insurer announced Thursday that it would immediately begin moving life insurance policies to a "behavior change platform that rewards customers for the everyday steps they take to live longer, healthier lives."

Policyholders will be asked to sign up online for fitness and nutritional advice, or may get premium discounts for using devices such as Fitbit or Apple Watch to monitor daily activities.

"For centuries, the insurance model has primarily provided financial protection for families after death, without enhancing the very quality it hinges on: life," said Marianne Harrison, John Hancock president and chief executive.

"We fundamentally believe life insurers should care about how long and well their customers live. With this decision, we are proud to become the only US life insurance company to fully embrace behavioral-based wellness and leave the old way of doing business behind."

One of the largest US life insurers, John Hancock said the new offering is aimed at countering unhealthy lifestyles including physical inactivity, poor diet, excessive alcohol use and smoking blamed for most premature deaths, and expressed hope that other companies would follow suit.

The company, a division of Manulife of Canada, said it believes people who use these kinds of wellness and activity tracking programs will live longer with lower medical bills compared with those who do not use these systems.

The latest effort stems from a partnership agreed in 2015 between Hancock and Vitality, part of the South Africa-based financial group

Discovery Limited which offers incentive-based wellness programs.

Too much data?

Wellness programs using health tracking have been in use for years, but privacy activists worry about the risks or invasive monitoring of consumer habits.



The John Hancock Tower in Boston is headquarters of the John Hancock group, which is revamping its life insurance policies to encourage activity tracking to promote healthier lifestyles

"I realize this is to encourage healthier habits but I worry about excessive

data collection," said Nuala O'Connor, president of the Washington-based Center for Democracy & Technology, a digital rights group.

"These devices can collect a lot of data such as your location or whom you associate with, much more than what they need to know if the person is insurable. There can be unintended sharing of that data."

Others expressed concern over the idea of using incentives linked to data collection, sometimes called "gamification," for insurance products.

Marc Rotenberg, president of the Electronic Privacy Information Center, said the move raises questions about "algorithmic transparency" or whether insurance decisions are fair, accountable, and transparent.

"There are also larger policy questions, including whether it is possible to maintain insurance markets if companies are able to assign risk directly to individuals policy holders," Rotenberg told AFP.

The announcement comes amid a push by some large employers to introduce wellness programs which may require employees to wear fitness trackers in order to obtain health coverage, or to get discounts.

O'Connor noted that the private life [insurance](#) offering is not as invasive as a mandatory employer-based program but contended that the benefits of such [wellness programs](#) may be overblown.

A 2015 study cast doubt on the accuracy of data from wearable devices and questioned whether this data should be used for important decisions.

Wearables and health apps "are buggy, produce errors, they can be gamed, and the data are open to misinterpretation," said Kate Crawford, a New York University research professor who was co-author of the 2015 study and is a co-founder of the AI Now Institute which studies

social implications of artificial intelligence.

Crawford said there are additional concerns about trading personal data for economic benefits.

"What concerns me is that people are being told that wearing these devices will get them discounts and gift cards, but they are giving up enormously detailed portraits of their lives," she said. "What if policies change such that 'negative' behaviors are punished?"

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Citation: Big life insurer shifts to activity tracking in health push (2018, September 21) retrieved 18 April 2024 from <https://medicalxpress.com/news/2018-09-big-life-shifts-tracking-health.html>

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