QUEST
Professional Center

PROFESSIONAL TRAINING COURSE

Course No. 1880

Insurance Pricing & Rating Techniques Training Course

INSURANCE PRODUCTS & PRICING
INSURANCE & RISK MANAGEMENT

DURATION
5 Days

DELIVERY
Classroom

Course Overview

This professional training course provides a comprehensive and practical framework for insurance pricing and rating techniques, enabling participants to understand how insurance premiums are developed, evaluated, adjusted, and monitored across different products and customer segments. It focuses on building technically sound pricing approaches that support underwriting quality, profitability, competitiveness, and sustainable portfolio performance.

The course examines the key components of insurance pricing, including exposure measurement, loss experience, risk classification, rating factors, pure premium, expenses, commissions, profit provisions, contingencies, and market considerations. Participants will learn how these components are integrated to develop appropriate insurance rates and premiums.

A strong emphasis is placed on the practical application of rating techniques across customer segments, territories, products, coverage levels, and risk categories. The course explores experience-based rating, manual rating, risk-based rating, class rating, schedule rating, and other commonly used approaches, while highlighting the relationship between pricing decisions, underwriting, claims, customer behavior, and portfolio profitability.

The program also addresses pricing adequacy, rate monitoring, credibility considerations, data quality, pricing assumptions, competitive analysis, scenario testing, and pricing governance. Participants will develop practical methods for reviewing existing rates, identifying pricing gaps, evaluating rate changes, and establishing effective pricing controls and monitoring processes.

Objectives

- By the end of the course, participants will be able to:
- Analyze the fundamental principles and components of insurance pricing.
- Evaluate exposure, claims, risk, expense, and profitability data used in rate development.
- Identify and assess appropriate rating factors for different insurance products.
- Apply different insurance rating techniques according to product and risk characteristics.
- Develop structured approaches for calculating insurance premiums and technical rates.
- Analyze claims frequency, severity, loss costs, and historical loss experience.

- Evaluate rate adequacy and identify potential underpricing or overpricing.
- Apply risk classification and segmentation techniques to differentiate premiums.
- Assess the impact of pricing decisions on underwriting results, retention, competitiveness, and profitability.
- Evaluate proposed rate changes using analytical, financial, and market considerations.
- Apply scenario and sensitivity analysis to assess pricing assumptions and outcomes.
- Establish pricing performance indicators and rate monitoring frameworks.
- Strengthen pricing governance, documentation, controls, and review processes.
- Develop practical pricing improvement initiatives aligned with business strategy and risk appetite.

Who Should Attend

This course is designed for insurance professionals involved in pricing, rating, underwriting, actuarial analysis, product management, portfolio management, risk management, and insurance performance analysis.

It is particularly suitable for Insurance Pricing Managers, Pricing Analysts, Actuaries, Underwriting Managers, Product Managers, Portfolio Analysts, Risk Analysts, Insurance Business Analysts, and professionals responsible for developing, reviewing, implementing, or monitoring insurance rates.

The course is also valuable for executives and decision makers responsible for underwriting profitability, product competitiveness, pricing strategy, portfolio performance, risk selection, and sustainable insurance growth.

Learning Outcomes

- Upon completion of the course, participants will be able to:
- Explain the fundamental principles of insurance pricing and rating.
- Identify the key components used to develop insurance rates and premiums.
- Evaluate exposure and claims data for pricing purposes.
- Identify relevant rating factors and assess their influence on insurance risk.
- Apply manual, class, schedule, experience, and risk-based rating techniques.

- Calculate and evaluate technical rates and insurance premiums.
- Analyze loss costs, expense provisions, commissions, contingencies, and profit margins.
- Assess pricing adequacy across products, customer segments, territories, and risk classes.
- Identify pricing deficiencies and recommend appropriate corrective actions.
- Evaluate the potential impact of rate changes on customers, retention, sales, and profitability.
- Apply scenario and sensitivity analysis to insurance pricing decisions.
- Develop pricing monitoring dashboards and key performance indicators.
- Strengthen pricing documentation, governance, controls, and review procedures.
- Integrate market competitiveness with technical pricing requirements.
- Develop an actionable insurance pricing and rating improvement plan.

Course Outline

DAY 01

Fundamentals of Insurance Pricing & Rate Development

- Principles and strategic role of insurance pricing.
- Relationship between pricing, underwriting, claims, and profitability.
- Insurance pricing lifecycle.
- Exposure measurement and risk characteristics.
- Historical loss experience and claims data.
- Frequency, severity, and loss cost concepts.
- Components of insurance premiums.
- Expenses, commissions, profit provisions, and contingencies.
- Technical rates and commercial premiums.
- Key assumptions in rate development.

> PRACTICAL APPLICATION
>
> Developing the basic structure of an insurance premium for a selected product.

DAY 02

Insurance Rating Factors & Classification Techniques

- Principles of insurance rating and risk classification.
- Identifying relevant rating factors.
- Customer, policy, exposure, geographic, asset, and behavioral characteristics.
- Class rating and risk grouping.
- Schedule rating and individual risk assessment.
- Manual rating approaches.
- Experience-based rating.
- Risk-based rating and differentiated premiums.
- Rating factors and adverse selection.
- Evaluating the relevance and reliability of rating variables.

> **PRACTICAL APPLICATION**
>
> Developing a rating classification framework for a selected insurance product.

DAY 03

Advanced Rating Techniques, Loss Analysis & Rate Adequacy

- Detailed analysis of claims frequency and severity.
- Historical loss experience and trend analysis.
- Loss cost development and adjustments.
- Credibility considerations in insurance rating.
- Rate relativities and differential pricing.
- Evaluating technical rates across risk classes.
- Rate adequacy and pricing deficiency analysis.
- Identifying underpriced and overpriced segments.
- Statistical and analytical support for rating decisions.
- Integrating technical analysis with underwriting judgment.

DAY 03 — CONTINUED

> **PRACTICAL APPLICATION**
> Conducting a rate adequacy assessment across selected customer and risk segments.

DAY 04

Pricing Strategy, Market Competitiveness & Profitability

- Linking pricing and underwriting performance.
- Product and portfolio profitability analysis.
- Competitive pricing and market benchmarking.
- Customer price sensitivity and retention.
- Impact of rate changes on demand and portfolio mix.
- Pricing by product, territory, customer segment, and distribution channel.
- Scenario and sensitivity analysis.
- Evaluating alternative rate change strategies.
- Balancing technical adequacy, growth, competitiveness, and profitability.
- Developing pricing actions for deteriorating portfolio segments.

> **PRACTICAL APPLICATION**
> Evaluating alternative rate strategies and their potential impact on profitability, retention, and market competitiveness.

DAY 05

Pricing Governance, Monitoring & Continuous Improvement

- Insurance pricing governance frameworks.
- Pricing documentation and approval processes.
- Data quality and pricing controls.
- Monitoring rate adequacy and pricing performance.
- Pricing dashboards and key performance indicators.
- Monitoring loss ratios, rate changes, profitability, retention, and portfolio mix.

DAY 05 — CONTINUED

- Identifying pricing deterioration and early warning indicators.
- Reviewing pricing models, assumptions, and rating factors.
- Managing pricing implementation and operational consistency.
- Continuous pricing review and improvement.

FINAL WORKSHOP

Developing an integrated insurance pricing and rating framework covering exposure analysis, loss costs, rating factors, classification, rating techniques, rate adequacy, profitability, competitiveness, scenario analysis, governance, monitoring, and continuous improvement.

Register or Request More Information

Course page: https://quest-training.com/courses/insurance-pricing-rating-techniques-training-course
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