

Guardian, Aflac Move Beyond Writing Checks to Helping Beneficiaries

The administrative process of closing the accounts of the deceased is creating business opportunities in the life insurance industry.

By Aaron Smith | April 5, 2023

Lisa Wardlaw was pregnant with her third child when her mother died.

If that wasn't already enough to deal with, she felt overwhelmed when confronted with a list of tasks she suddenly had to handle, from closing her mother's mobile phone account to writing her obituary.

"It was those little things that put me over the edge," said Wardlaw, an insurance digital strategist who shared her story during a panel at the **InsurTech NY** conference last week. "You don't know, until you're in the moment, the thousands of things you have to deal with."

A few companies are seizing an opportunity to help life insurance beneficiaries during those vulnerable moments. Their business involves offering postmortem services to help beneficiaries deal with both their grief and mountains of paperwork.

Empathy, a startup that provides an app for beneficiaries of the recently deceased, announced at InsurTech NY that it had partnered with **Guardian Life**. Beneficiaries of Guardian Life policies will receive the Empathy app that guides them through the labyrinth of administrative work that follows someone's death, according to the companies.

On March 30, **Aflac** announced that it's partnering with a company called **Iris Powered by Generali** to provide a service called Beneficiary Companion for beneficiaries of group life policies.

Paige Schaffer, chief executive officer of Iris Powered by Generali, said in an email that Iris also provides Beneficiary Companion to other carriers including **Anthem** and **Kansas City Life**. She said the product is offered for group and individual policies.

The insurer bears the cost, with pricing based yearly on the number of people being insured.

The Industry

John Keddy, senior principal for **Aite-Novarica** who specializes in insurtech, described the niche industry of providing postmortem services to beneficiaries as "isolated but growing." He said it fills a gap in the life insurance industry.

"Insurers historically have viewed death and the beneficiary activities around that as primarily a financial transaction," Keddy said in an interview. "It's very hard for large entities to compassionately engage during a traumatic event."

Michel Léonard, chief economist and data scientist for the **Insurance Information Institute**, sees the service as a “value add” for life insurance agents that could bolster sales.

“It’s a win for the agents and brokers selling it,” he said.

He said that one of the advantages of the product is that beneficiaries can use an app, that’s available around the clock, instead of having to speak to people while they’re emotionally fragile or distraught. “That’s a big element,” he said.

Stratos Laskarides, senior financial analyst for **A.M. Best**, said in an email that in some ways it’s an extension of the trend of insurers selling life policies in conjunction with the drafting of wills.

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In January 2022, the startup **Ethos** bought **Tomorrow**, a provider of online wills and trusts. Tomorrow provides a mobile app that enables families to create a will for free. In 2019, **MetLife** bought the online estate-planning advisor **Bequest**, which sets up estate plans.

Millennials may also appreciate the app’s convenience and the educational online materials, he added.

Postmortem Products

Aflac said, in a news statement, that its Beneficiary Companion service helps people navigate the complex administrative details related to death, like

dealing with identity theft.

“There are many challenges that arise with the death of a loved one,” **Scott Beeman**, senior vice president of Aflac’s division for Premier Life Disability Solutions, said in a news statement.

The Empathy app provides guidance, services and information on arranging funerals, dealing with grief, and closing the accounts of the deceased policyholder, along with a checklist of administrative tasks.

“Our mission is to help families deal with loss, and that means the full range of grief,” Empathy Chief Executive Officer and co-founder **Ron Gura** said at the InsurTech NY conference. He described his company as “50% **Headspace** for grief and 50% **TurboTax** for estate.”

Empathy, which is headquartered in Tel Aviv and has an office in New York, also partners with **New York Life**, in addition to Guardian. Gura said the company is now providing its app to five carriers, though he wouldn’t identify the other three.

Gura said the company also partners with 30 employers that provide the app as a benefit, including **Goldman Sachs** and **Lemonade**. Empathy also works with a claims software startup called **Benekiva** in West Des Moines, Iowa.

Gura said in an interview that Empathy steps in to help beneficiaries with the many tasks that follow someone’s death.

“We stick around in the moment of truth,” said Gura, adding that this “moment” of settling the affairs of the deceased can actually take a year in the United States.

He said the services provided by the app range from grief support, guidance through choices like burial versus cremation, receiving payments from Social Security, dealing with the debts of the insured, and dealing with probate.

Gura, a veteran of the Israeli air force who handled administrative work in the military, was inspired to start the company after his brother died, and after a colleague in California lost his wife to cancer and had to deal with the endless administrative hassle that followed. He co-founded the company in 2020 and has raised \$43 million.

“We try to deny ourselves mortality and we try not to think about it, but it’s inevitable,” he said.

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