

Underwriting of Complex Multi-national Product Now Simplified

P&C Specialty Lines Insurer Dramatically Shortens Time From Policy Submission to Issuance

With NWPs of over \$100 million, this Specialty Lines Business of one of the largest P&C insurance companies in the U.S had an underwriting process that was rife with inefficiencies. While they provide their mid- and large-sized American multinational customers with a complex offering that is sold as a wide selection of coverages and sub-coverages, they needed to find a way to simplify and automate their underwriting process.

Onerous and Costly Underwriting

Underwriting inefficiencies and the time consuming demands of multiple, hard-coded back office systems were unacceptable to this insurers bottom line — time from Submission to Payment Received was too long and processes were too expensive. There were key issues that needed to be addressed: error prone, labor-intensive duplicated data entry; onerous tracking and redundant reporting; inability of underwriting stakeholders to collaborate effectively; and a patchwork of incompatible back office systems.

More Than Five Weeks to Get a Policy to a Customer

Underwriters, on whom the company relies to underwrite and sell this complex product, were burdened by manual processes and data re-entry

that resulted in errors and caused a high volume of re-work. In addition, the processes and approach required a large back office support staff that augmented selling and renewal activities manually. The time to process a single new policy from submission to issuance involved 9 staff using 17 separate data entry points. Quote and Binder letters were manually created using Microsoft Word. Depending on the number of coverages required, it was taking as long as 28 working days to get the printed policy documents to the customer.

The processes surrounding renewals were equally inefficient. The renewal process was entirely manual with multiple data entry points and, sometimes, business was lost due to late renewal offers.

Manual Processes Prevent Effective Collaboration

A complex product offering necessitates a great deal of interaction amongst underwriting staff. But the lack of a single point of access to all necessary policy and product information

underwriting solution in another area of their business, the company made the decision to leverage **Authority Suite™** as an enterprise platform for their Specialty Lines business. Authority Suite leverages the company's open Services-

With Authority Suite, the company was able to fully automate their quote to issuance process to achieve straight through processing

resulted in Underwriters and their assistants being unable to collaborate effectively. Time was wasted managing paper and communicating via email and fax. In addition, they had no common work area where tasks could automatically be initiated and managed and where everyone had easy access to the same submission and policy information.

A Patchwork of Systems and Applications

Manual processes, data re-entry and the inability to collaborate were a result of the insurer's multiple back-office systems that were not integrated and provided overlapping functionality. Underwriters and their Assistants had to use several different systems to issue a single policy, including separate submission, reservation, booking, print and underwriting systems, not to mention back-end systems such as billing and reporting. All of the systems required separate maintenance and staff training, and keeping them synchronized and up-to-date was expensive, time-consuming and error-prone.

Leveraging the Existing Camilion Underwriting Platform

Having seen strong results with Camilion's

Oriented Architecture enabling them to seamlessly integrate with all the insurer's systems and applications.

Duplicate Data Entry Eliminated with Single User Interface

With its single User Interface, Authority Suite acts as the front-end to the company-wide reservation and clearance system and users no longer have to re-enter information to keep that system up-to-date. As quotes are developed, information is maintained in Authority Suite, so it's easy to provide multiple quote options without duplicate entry. As information is collected for the quotes related to the risks, the rating is completed. Based on the process logic built into Authority Suite, quotes can be referred to Underwriting Assistants or other Underwriters for further analysis or additional authorization.

Processes Streamlined With Pre-configured Workflows

With Authority Suite, the company was able to reduce their quote to issuance from two manual processes to one automated workflow. Once a quote is accepted, Authority Suite automatically calculates commissions and transfers all relevant



information to the booking systems and a binder letter, with appropriate endorsement forms, is generated for printing or emailing. The policy documents are also immediately available. Now, if a policy has to be reprinted or reviewed based on a customer request, it is instantly accessible. When endorsements are required, only the new information or changes need to be entered.

Each quote or policy is available at every stage of the policy life cycle for status checks and reporting. Important management information, such as quote-to-bind ratios, book-to-bill turnaround or the quote pipeline for each business line can be obtained without arduous, one-off reporting projects.

Capacity Doubled With Up to 75% Reduction in Policy Production Time

The insurer is estimating that the cycle from “new submission” to “policy issuance”, which currently takes up to 28 days, will be decreased to seven or eight days, in some cases a reduction in policy production time of more than 75%. This decrease in turnaround time will translate into improved cash flow, which will mean increased investment revenue. Quoting alone has been reduced from days to minutes.

The underwriting department’s capacity for submissions will be doubled and the insurer expects to generate additional premiums for its international products in the 100’s of millions of dollars. In addition, valuable underwriting resources will be able to focus on value-added tasks like developing more thorough underwriting practices or selling and generating new business.

Customers Retained With 61% Reduction in Renewal Processing Time

The company has seen a 61% reduction in renewal processing time, which will lead to greater customer retention and an increase in NWP. Renewals no longer require a complete re-entry of all information — using Authority Suite, underwriting staff simply retrieve it from the policy database. If the renewal meets the conditions pre-set in Authority Suite, it can proceed automatically without any manual intervention for straight-through processing.

Product Changes in Days and New Products in Weeks

With Authority Suite this insurer’s product data and rules are no longer hard-coded — products are separated from underwriting processes. Authority Suite is powered by Camilion’s

By implementing Authority Suite and retiring legacy systems the insurer expects to reduce overall systems maintenance costs by 50%

The insurer also expects to see decreased maintenance costs. With a new solution in place, difficult-to-maintain legacy systems will gradually be retired, reducing overall system maintenance costs by 50%.

flagship ProductAuthority®, a “pure” insurance product configurator that externalizes all product data and rules in a central repository. This product repository captures all the information needed for successful product

development and underwriting, including market eligibility, packaging, underwriting rules, rating logic and factors and forms management — not just pricing or calculations. The insurer's dependency on IT is significantly reduced because business users can access the repository to develop their own products or change underwriting rules. Web Services are used to seamlessly integrate product information into Authority Suite and other product-aware systems creating an agile solution that enables the insurer to make product changes in days and implement new products in weeks.

Reducing the Complexity of Underwriting

While this insurer continues to offer complex products to meet the needs of its customers, it has found a cost-effective way to automate underwriting for greater efficiencies. Costs will be reduced and, over time, revenue will increase as policy submission to issuance time is significantly reduced and underwriters realize a greater capacity to deal with more business. At the same time, customer retention will improve. As it turned out for this insurer, leveraging its previous investment in Camilion's Authority Suite will make underwriting its complex offerings a lot less complicated.



Designed to capitalize on a Service-Oriented Architecture (SOA), Camilion's Authority Suite is a next generation Policy Administration System. Authority Suite is built on the most modern technology platform and is open, scalable, and conforms to key insurance industry standards. Providing a breadth of capabilities from product development and underwriting to Straight Through Processing to facilitate online sales, Authority Suite is powered by Camilion's flagship ProductAuthority®. ProductAuthority is a "pure" insurance product configurator that allows insurers to more easily and cost

effectively integrate product data and rules into their operational systems, including policy administration systems. Product data and rules are stored in the central repository of ProductAuthority where they can be exposed as Web Services to all back-end systems that need to be product-aware. This not only eliminates the hard-coding of product data and rules into multiple systems, but results in a Policy Administration System that has unprecedented agility, allowing insurers to implement or change products rapidly and expand revenue generating capacity at a fraction of the cost.



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Camilion Solutions, Inc. is a leading provider of product development and policy administration systems for the insurance industry. Camilion's solutions enable insurers to develop and implement new products more quickly and efficiently than competitors, automate underwriting, enable straight-through processing, and deploy a flexible platform to support current and future growth. Designed to capitalize on a Service-Oriented Architecture (SOA), Camilion's Authority Suite™ is open, scalable and conforms to key technology and insurance industry standards. Founded in 2000, Camilion is a privately-owned corporation with offices in Toronto and New York.

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