

Temple ISyCL ACORD Interface

No Pain – No Gain



- Canadian MGA
 - Privately held, 80 years experience
 - Founding Company in Group which includes a leading insurer, large retail brokerage, and Life/Health/Wealth Management consultants
- Public Entity Specialists
 - Cities, Townships, Municipalities
 - Hospitals, Schools, Non-profit groups
- Full Service
 - Underwriting
 - Distribution
 - Claims
 - Risk Management

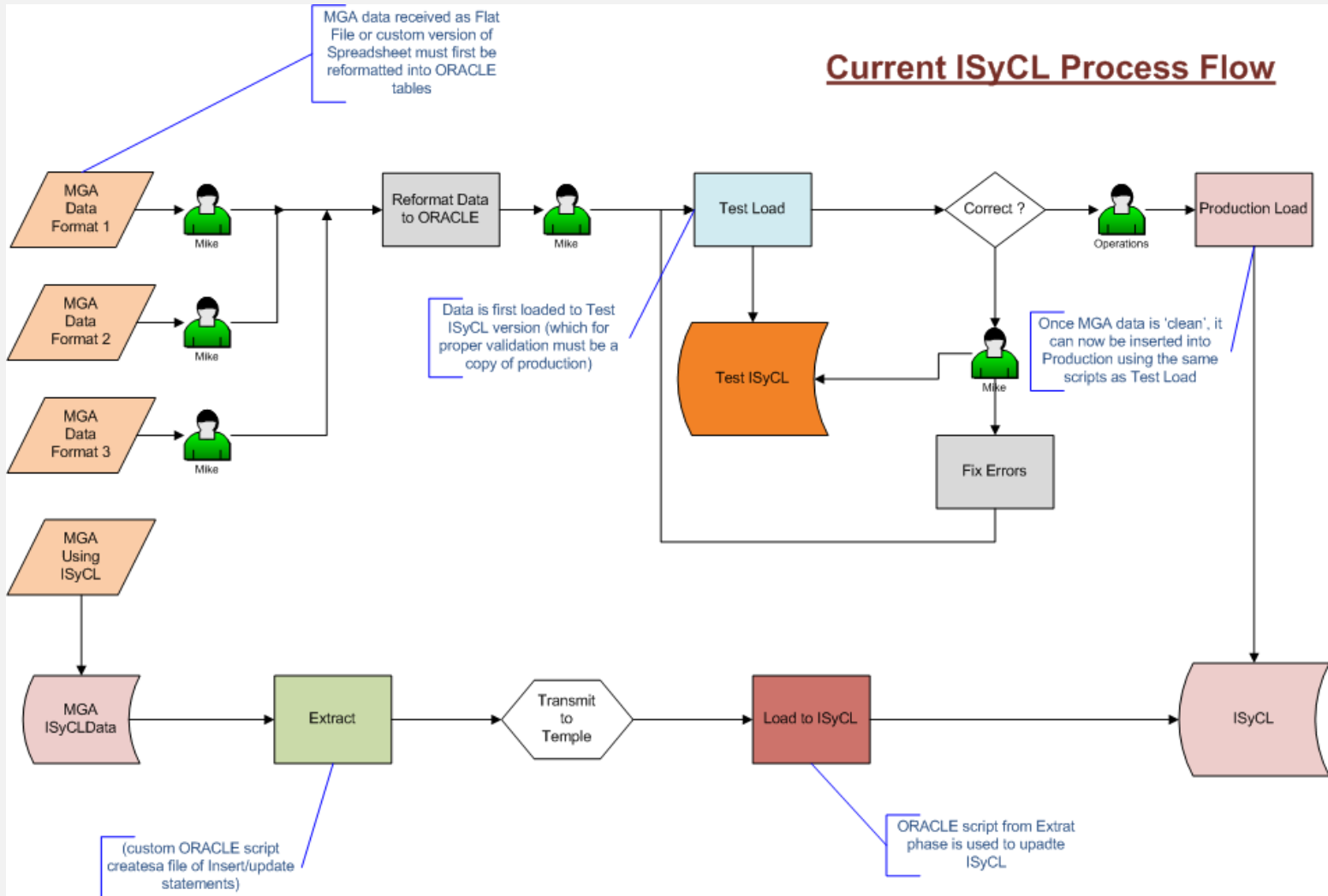
- Established in 1998 to strategically complement Munich Re's operations in Canada
- Initially, niche commercial products and specialty lines primarily through a selective network of Managing General Agents
- Direct through brokers and risk managers.
- Federally registered and licensed to write business throughout all 10 provinces and 3 territories
- Strong capital base exceeding CDN\$140 million
- CDN\$ 200 million premium
- AM Best A+ rating

- **INS**urance **S**ystem **C**ommercial **L**ines
- In-house developed commercial lines administration system
- Property, Casualty
- Integrated claims, statutory/regulatory reporting, management reports
- Outbound reinsurance
- Various inbound and outbound interfaces
- Used in the US and Canadian markets
- Used by a Canadian MGA – a Temple client
- Marketing and distribution via third party

ACORD based ISyCL interfaces using 2 separate libraries.

- We initially planned to develop everything using ACORD AML library.
- Mid-way through our development work (we had property done) development on the needed AML messages was postponed due to higher priority work at ACORD.
- We then redeveloped our Property interfaces and added Casualty using PCS Version 1.15.
- Unfortunately PCS has some limitations for our application.
- It has severely limited functionality for claims (Initial notification of loss message, claims status) this does not fit our situation.
- MGAs manage claims and report those transactions to us.
- However, we will use the PCS standard for claims - a maintenance request has been submitted to address this.

Current Process to load Electronic Bordereaux (the Mike method)



This is Mike



Our Development team is made up of a mix of various skillsets

Function	Team Member	Tasks
ISyCL Dev mgr	Ed Faggiani	ISyCL Development team interface
Developers	Corina Manea	GUI Presentation Layer
	Robin Luo	XML
	Aliaksei Yakauleu	MGA/ACORD/IS/CL code mapping interfaces
	Gy Mehta	ISyCL validation and load
Business	Matt Hunter	Supervisor Temple Operations
	Jessica Ng	Temple Operations
Overhead	J. Golobic	Slave Driver/Consultant Email Jgolobic@ParklaneResources.com www.Parklaneresources.com

Our main ACORD contact for both AML and PCS development of the ISyCL interface was

Mark Orlandi

Program Director, Property & Casualty / Surety

Other ACORD people who influenced our decisions because of our participation on teams they lead were

Bharal Puneet

Head of Advisory Services, UK and Europe

Phil Brown

ACORD Project Manager (London Office, Claims)

Marc Codispoti

Program Manager and Member Relations, RLC

Major players from our partner (Frank Cowan Company) working with us on the ACORD interface development were

Patrick Vice	Director - Information Technology
Kris Betkowski	Manager – Information Technology
Ethan Smith	Senior Software Developer
Pat Coad	Programmer

Transaction Volumes

A sample of Transaction Volumes for January 2009 for MGAs who are currently slated to use ACORD interface.

MGA	Underwriting	Claims
Cowan's	7100	950
Fredericks	2650	1450
ENCON	6500	5100
Premiere	1000	850

We are using the following ACORD transactions:

AML Library - The Property transactions are AML Draft 7:

“CommercialPackagePolicyNewRequest” and
“CommercialPackagePolicyRenewRequest”

Property and Casualty transactions from PCS V1.15:

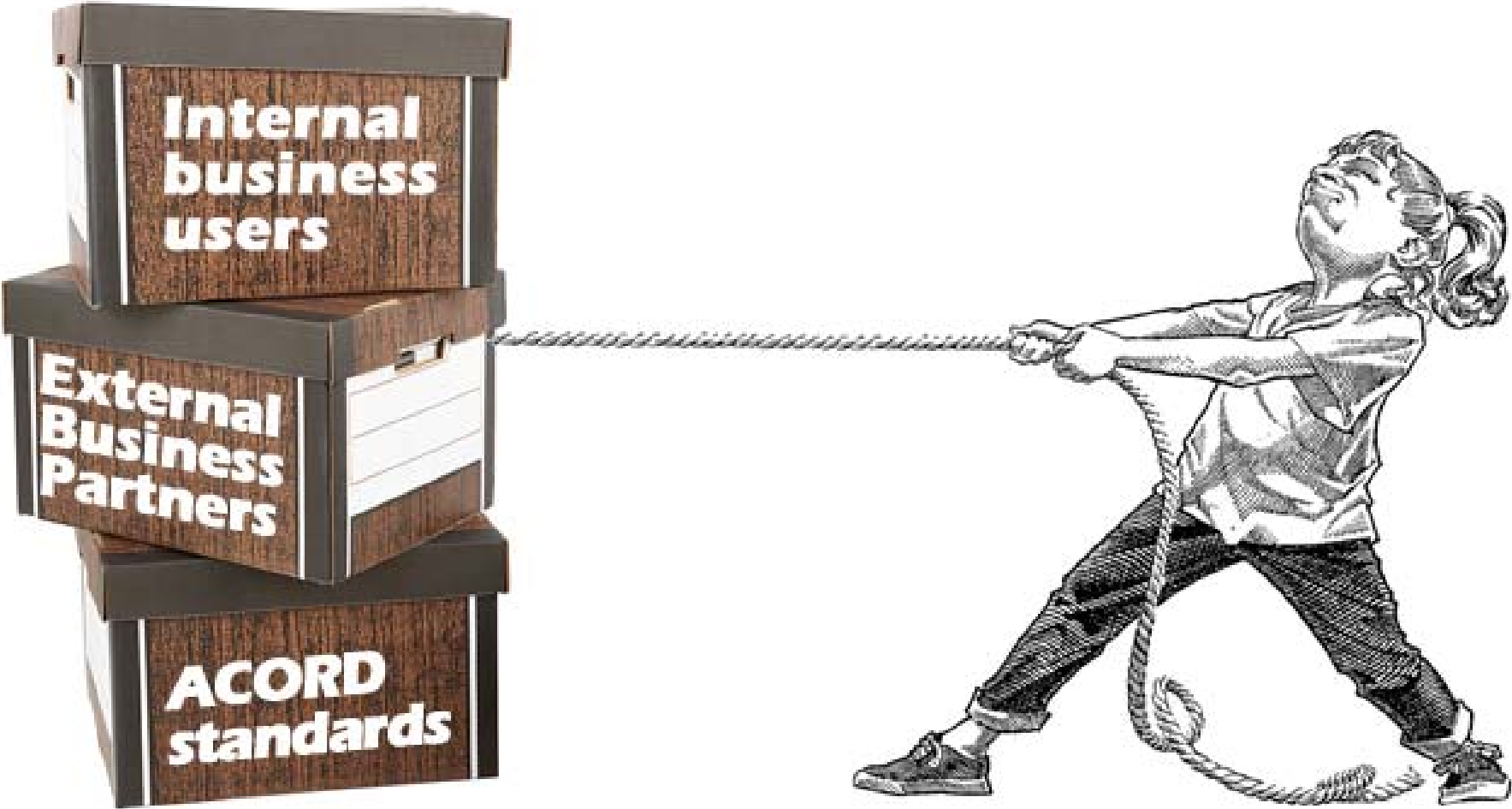
“CommIPkgPolicyAddReq” “CommIPkgPolicyAddRs”
“CommIPkgPolicyRenewReq” “CommIPkgPolicyRenesRs” .

Claims transactions we are examining include new transactions for which we have submitted a Maintenance Request based on PCS V1.16:

“ClaimActivityNotify” “ClaimActivityNotifyRs”; and a new aggregate
“ReserveInfo” ; along with additional new codes and references.

This project provided interesting challenges as it involved

- Temple Business Users
- ACORD
- Our Business Partner both from a technical and business perspective



One might assume that if we are using a standard such as ACORD, then developing the interface should be as straightforward as mapping codes from client system to ACORD and from ACORD to our system.

- A lot of detail work is required in mapping from a partners system to ACORD and once that is remapped back to our system, it's important to make sure nothing was 'lost (or gained) in translation'.
- It's also very important that both parties be aware of the process behind the transactions

The Pain (Internal)

- We designed our ACORD interface so when complete, it would operate end to end without IT involvement (no Mike!).
- However, it meant the work Mike did was transferred from IT to Business

• **Strong** new functions had to be learned

Temple

Insurance
A Member of the Munich Re Group

• **Want** a GUI application was required for those times when errors crept into the system

- (new code values either from the Business Partner systems or ACORD or our internal systems and individual records need to be looked at and modified.
- The GUI development consumed more than a third of our development and testing effort.

The Pain (ACORD)

When we began the project we wanted to future-proof our work as much as possible. To do this we made the decision to work with the newest ACORD standard for Primary business – the AML library.

- According to ACORD this standard would eventually encompass all of the various standards ACORD has today (PCS, AL3,RLC)
- This standard was in ‘Beta’ mode when we started using it with expected productive release by end of year 2008.
- In October 2008 when we had the property component programmed ACORD decided to put development efforts into Workers Comp Business and stop all other development.

More...

- In order to complete our interface we had to step back and use the PCS library for Casualty Business.
- Changing libraries of course started an new learning curve and of course caused a setback in the timing of our project.
- This delay and retraining was true not just for Temple but Cowan's as well.
- At this point we also made the decision that since we will use PCS library for Casualty we would also redevelop Property in PCS and make both available to our clients.
- In all of this – the challenges were not the technical part of the job.

More...

The Pain (Business Partner)

A project such as this involving external partners and a third party standard brings new project management challenges different from traditional internal projects

- When the business partner is an MGA or Broker, they do not have many IT staff. In fact the entire development section may only be 5 or 6 people.
- This means resources available to this project are also shared with other tasks. Day to day problems and issues often make these resources unavailable.
- Another challenge that needs to be dealt with are the different priorities between the partners and resource availability during the same timeframe.

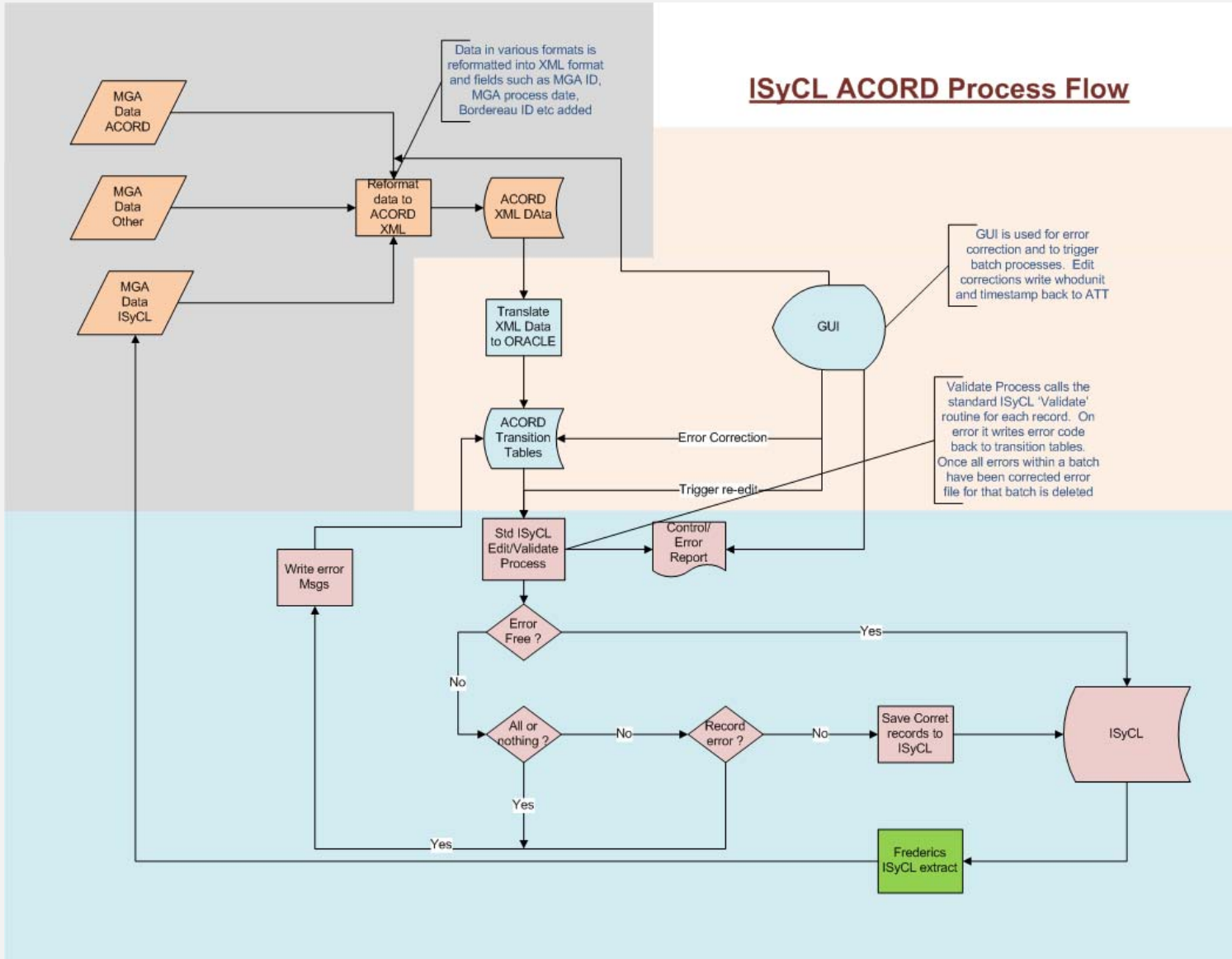
More.....

- Decision making on project direction, priorities etc becomes a 'democratic' process which needs to be negotiated with the Business Partner.
- Standard Project Management rules do not apply - the decision making process is no longer top down within the organization.
- Decision making becomes much more like a minority government with give and take to come to decisions which will work for both sides.

- Our challenges were not of a technical nature. Once decisions on what to use were made, the technical implementation was generally straightforward.
- Pick a partner that you can work with who has as much drive and ambition to ‘make it work’ as you do.
- Allow for significantly more time when dealing with outside partners and organizations
- Communication (as with most things) is key to success

- We now have a standardized interface, when we sign on with a new MGA who does not use ACORD, we need to change only step 1 (reformat data to ACORD).
 - Table and code mapping can be done by a business user
- If we have a new MGA who uses ACORD code mapping is not required , and we are familiar with the process to test the interchange.
- We now feel comfortable with ACORD libraries and standards so if new things come along we feel very competent we can adapt and adopt quickly.
- We have an interface to our primary system using exactly the same validation rules for incoming data as if it were entered using the GUI interface

MGA to ISyCL ACORD based Process Flow



- Now Mike is a programmer again – cutting .net code for our insurance application



Temple Insurance Company

and

Frank Cowan Company Limited

win

ACORD's Innovative Implementation Award

presented at ACORD/LOMA Conference Orlando

May 17, 2009

