

CUSTOM SOFTWARE SOLUTIONS

The straight-through processing of a transaction finally achieved

The broker capability to complete all transactions with a carrier inside the agency's broker management system in real time has finally become a reality. In July Custom Software Solutions Inc. launched a web-based exchange for Peace Hills Insurance that achieves what, until now, has actually been a vendor-enabled processing bridge to company systems described as a real-time transaction.

CSSI has always been a staunch supporter of the Insurance Brokers Association of Canada effort to see a complete policy transaction from start to end within the broker's BMS. No other vendor has truly been able to provide that until now. All offerings require data to move from the broker through to an insurer's system, where the transaction is completed with broker interaction on that system.

Considered this way, 'real time' has actually been a misnomer. Transactions have not started and ended in the broker's BMS. Partial data contained within the agency system has had to be transferred to the insurer in a way that is comprehensible to the company system, which then accepts the transaction request and provides acknowledgement and response.

Providing expected content and format to the company end is obviously essential and usually specific to different carriers. Brokers have had to deal with screens at the company level, entering information into fields which capture the data only on the insurer system. That's meant the broker's data record is incomplete, which affects the broker's efficiency and e&o exposure.

CSSI was able to overcome much of that with its I-Biz transaction process, which has been an exceptional and efficient improvement on laborious manual duplicate entry. I-Biz enables real-time electronic data exchange for policy issuance and policy change processing from a single-entry, multiple-company interface. The processed policy data that



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flows back to the broker's office automatically updates the broker's policy/client management, accounting and billing systems. Users are reporting a 100 per cent increase in productivity by volume and up to 30 per cent decrease in overall expense by employing I-Biz.

The new capability being offered by CSSI is even

better, as it's designed to interact with other BMSs. I-Biz has demonstrated up to 85 per cent straight-through processing. The web-based Peace Hills Insurance Exchange transaction engine using CSSI's I-Company product will be able to accomplish at least this.

Peace Hills announced the first-phase launch of PHIX in early July. It allows Alberta-based brokers to submit new auto business and make changes to existing auto policies starting and ending in their BMS. The transactions utilize CSIO XML and interact with PHIX in real time. The first brokers interacting with PHIX are Applied Systems users utilizing their WARP integration tool submitting new business transactions.

Once it's fully implemented, PHIX, powered by I-Company, will facilitate

real-time single-entry transaction processing and exception-only underwriting for all transaction types, including policy change. I-Company will validate and enforce the underwriting edits for private passenger auto, commercial auto, habitational and farm to allow for straight-through processing of all Peace Hills transaction types. This complete company-to-broker solution communicates/integrates with the company policy management and accounting system. It provides CSIO capabilities, allows web connectivity to the company via web services and includes support for all BMS communication tools in the market.

According to Scott Andrew, president of CSSI, this is the first working real-time solution in the Canadian insurance marketplace embracing the IBAC Real Time initiative of starting and ending in the BMS.

Diane Brickner, president and ceo of Peace Hills Insurance, is excited about



Brickner

the first phase of PHIX and is eagerly awaiting the second phase to be launched early next year. She says, "It provides Peace Hills Insurance brokers a means to streamline their process flow for new business and endorsements for Alberta private passenger auto business."

Founded in 1991, CSSI offers broker products that include the Broker's Workstation, IntelliQuote, The Underwriter's Workstation and I-Biz. Insurance company products include I-Company, I-Broker and I-Biz, which provide significant efficiency gains leading to increased productivity and decreased operating expenses for broker and company users. **iw**