



Insurance Data Standards  
Life & Annuity • P&C • Reinsurance

nonprofit • industry developed • solution provider neutral

## From Risk Manager to Carrier and Back STP and Benefits



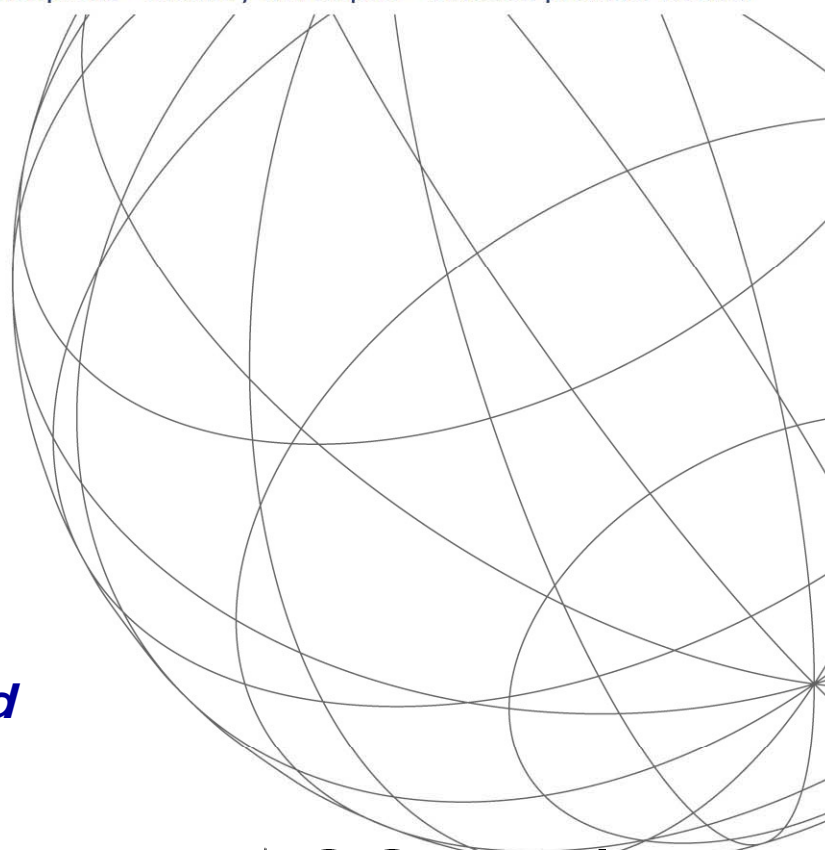
Elizabeth Morrell,  
*Southern Company*



Patrick Vice, Frank  
*Cowan Company Limited*



Jo Conway Roberts  
*CS Stars*



ACORD INSURANCE  
LOMA SYSTEMS  
FORUM

2005

# Standards Support Risk Management Goals

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- Accurate, Consistent Loss Info
- Timely Policy Issuance
- Lower Administrative Expenses



# Meeting Halfway

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- Streamline data exchange with brokers, carriers and TPA's.
- Standardize internal data with ACORD Exposure Spreadsheets
  - Locations
  - Vehicles
  - Other Exposures



**SOUTHERN  
COMPANY**  
*Energy to Serve Your World™*

 **Cowan**  
Frank Cowan Company

 **CS STARS**

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# Building Momentum

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- Growing Awareness among Risk Managers
- Changing Regulatory Environment
- Increasing Demand for Real-time Data



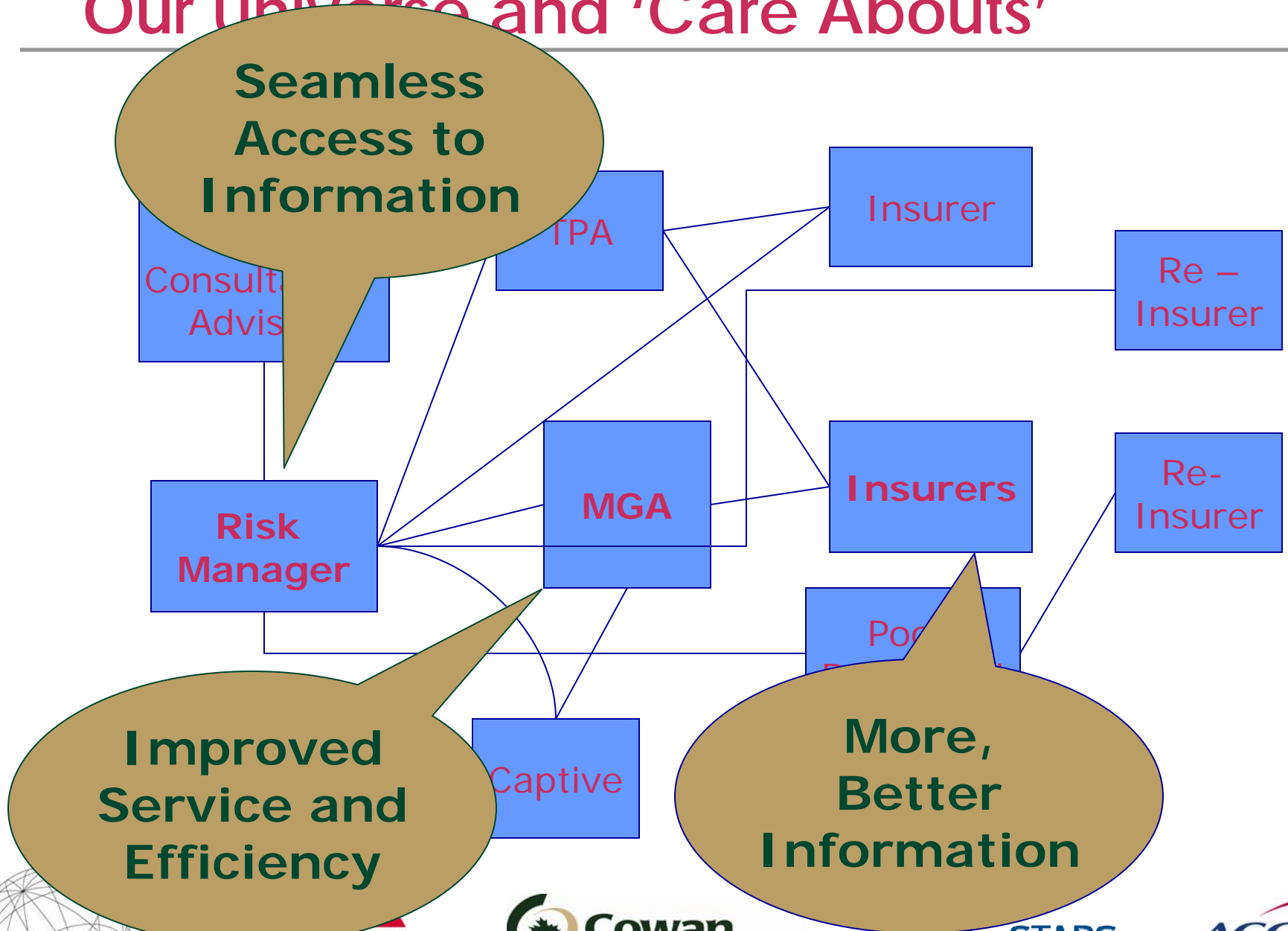
# Frank Cowan Company

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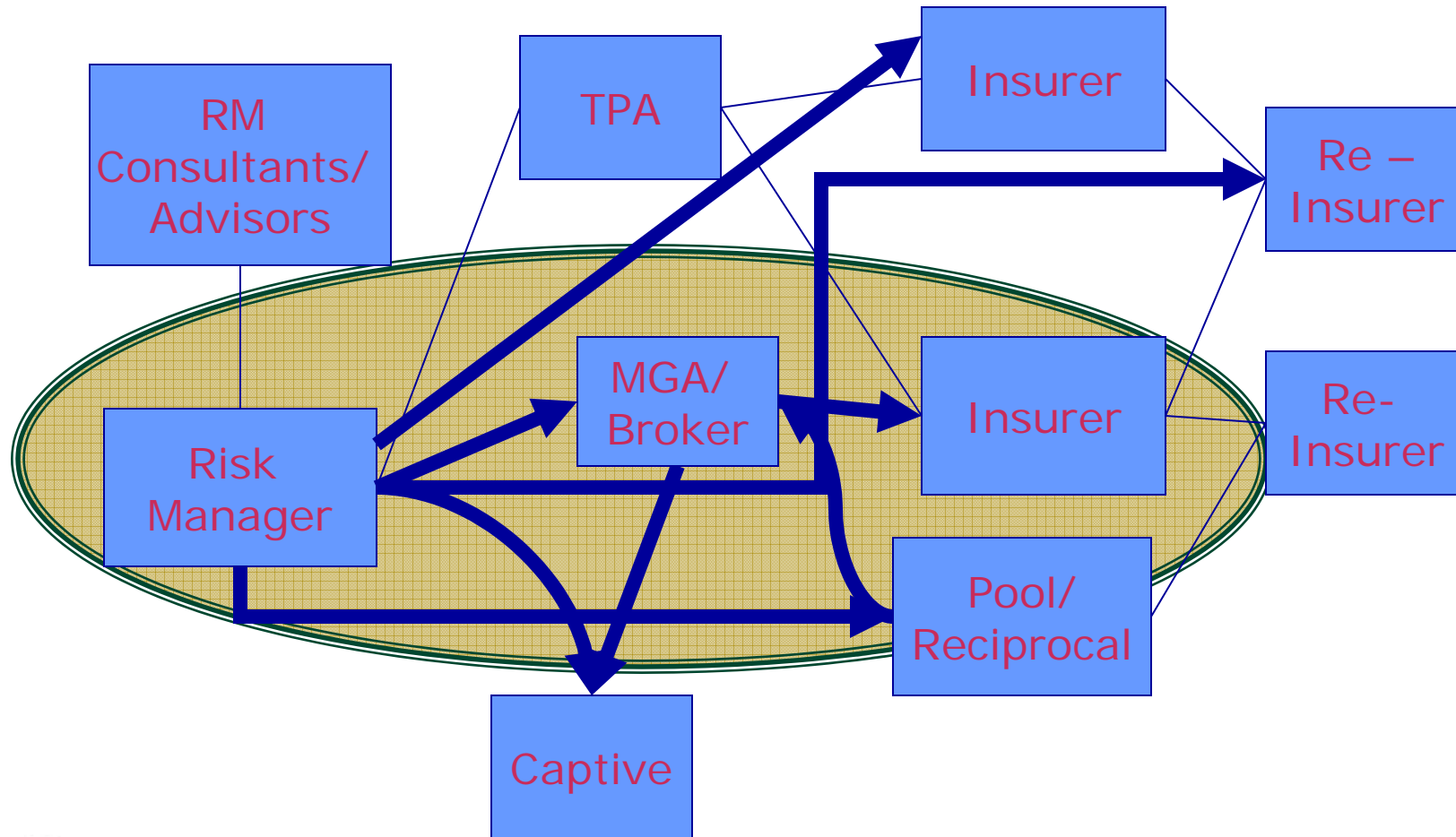
- Privately held, 77 years of Experience
- Canadian full service MGA,
  - Underwriting
  - Claims
  - Risk Management
- Public Entity Specialists
- Technology
  - Legacy AS400 based internal systems
  - Proprietary links to multiple insurers
  - Internal 'rejuvenation' project underway



# Our Universe and 'Care Abouts'



# First FCCL Plans – Exposures



# Standards Benefits and Strategic Approach

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- **Standards - Reduce Friction Costs, improve Service**
  - External – Customers and Insurers
  - Internal Integration
- **Tie Standards to Applications Modernization**
  - Multi-year 'rejuvenation' of infrastructure and applications
  - Build and Buy Strategy
  - Priority: Knowledge worker support for customer facing functions
  - Include Standards in plans/RFPs



# The Information Age *“Managing Your Total Costs”*

- Business decisions are driven by information
- Clients (Risk Managers) have data coming from every direction – goal is to manage their total cost of risk
  - Claims data
  - Assets data
  - Exposure data
  - Policy data
  - Incident data
  - Near Miss data
- In every form
- Data is not information until it is
  - Organized
  - Decoded
  - Consolidated
- Carriers and TPAs want to provide useful data to their clients



# Challenges/Obstacles to Data Quality Carriers & TPAs

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- **Legacy Systems**
  - Aging Claims and Policy Systems
  - Batch Processing Routines
- **Lack of Common Definitions and Standards**
  - Definitions of Common Data Elements Vary
  - Formats Vary
  - Data Content Inconsistent
- **Data Exchanges and Hand-offs**
  - Internal Data Silos
  - Ave. P&C Claim goes through 3-6 manual handoffs
  - More frequent Transitions between data providers



# Challenges / Obstacles

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- Risk Management Departments
  - Difficulty of Pulling together data
  - Too much paper
    - ▶ Electronic distribution of policy data
    - ▶ FNOL
    - ▶ Certificates
    - ▶ Evidence of Insurance
  - Double entry of data
    - ▶ Exposure and Asset values
    - ▶ Many more...
  - Cost



# Desired Outcomes

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Timeliness  
+  
Accuracy  
+  
Consistency  
+  
Completeness

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# QUALITY INFORMATION

