



Policy Processing

The policy processing functionality in GAAPinsurance provides the core tools necessary for an MGA to underwrite and issue the policies in its book of business. Please note that all reports may be displayed, printed and/or exported. Any one of the standard “browsers” (Internet Explorer, Netscape, Mozilla, Opera, Firefox) may be used as the default display vehicle for the GAAPinsurance reports as all reports are created for display using standard (W3C approved) HTML and JavaScript code. Most all document IDs and coded entities such as customer, producer, vendor, policy number, invoice number, voucher ID, check number, etc may be “drilled down” to by clicking on the hypertext link. This is possible because of the embedded use of the GAAP Http Web Server that is included as part of the GAAPinsurance system.

Summary of Insurance Processing Functions

- **Assign Finance Company**
- **Claims & Loss History Processing:**
 - o Claims Entry and Inquiry Claims / Loss Report
 - o Import Loss History Detail
 - o Import Loss History Summary
 - o Summary Loss
 - o Treaty Year Loss
- **Diary Processing:**
 - o Diary Entry By.
 - o Diary Name Diary Queries and
- **Document Library Management:**
 - o Management of merge-fields
 - o Management of forms
 - o Management of rules
- **Invoice Printing:**
- **Month-end Automatic Reporting**
 - o Summary G/L Trial Balance
 - o Detail General Ledger by Journal Source
 - o Accounts Receivable Aged Trial Balance
 - o Accounts Payable Aged Trial Balance
 - o Financial Statements (Balance Sheet and Profit/Loss Statement)
 - o Insurance Sales and Production Reports
 - o Cash Deposits Journal
 - o Cash Disbursements Journal
 - o Check Registers
- **Policy Abstracts and Export Processing:**
 - o Policy Abstracts
 - o Generate ODEN Policy Export
- **Policy Cancellations and Voids:**
 - o Cancel a Policy
 - o Cancellations Query
 - o Print cancellation notices
 - o Reinstate a Policy
 - o Spoil or void a Policy
- **Policy / Invoice Changes:**
 - o Invoice Accounting Changes
 - o Invoice Non-accounting Changes



- Policy Changes (non-accounting)
- Verification and Indexing Processes
- **Policy Issuance:**
 - **Property and Casualty Policy Issuance-** The document management section of GAAPinsurance provides for the definition and maintenance of physical and logical data fields available to all policies. Microsoft Word documents may be created with “merge fields” that point to the library of data fields provided by GAAPinsurance. Unlike many databases that interface with word processors, the GAAPinsurance system is unique in that these merge-fields DO NOT have to be pointers to physical data elements defined in a database dictionary, but may also include logical, time-sensitive and “just-in-time” calculations of data values.
- **Policy Renewal / Expiration Processing:**
 - Policy Number Usage Reports –
 - Renewal / Expiration Reports
 - Underwriter Renewal Book-of-business Assignments –
 - Underwriter Renewal Status Reports –.
- **Policy Queries:**
 - One of the most powerful tools provided in the GAAPinsurance product is the Policy Query Window. From this window, any policy may be located by providing an insured ID, a portion of the insured name, a policy number, an invoice number or a claim number. The split screen presentation of policy numbers and accounting information (endorsements, billing, cash receipts, etc) enable the user to click on any piece of information relative to the policy and/or invoice and then either drilldown to view the related information or print the associated document, form, invoice, worksheet or report. Policy detail, policy transaction logs, policy endorsements, actual document images, loss summaries, claims detail, accounting audit trails, installment invoices and payroll reports for the selected insured, producer and policy may all be accessed instantly by clicking one button.
- **Producer Reports:**
 - Producer Policy History
 - Producer Summary Sales Reports
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- **Sales and Production Reports:**

There are several module-specific report generators in the GAAPinsurance system, tailored to the perspective of each module, i.e. General Ledger, Accounts Payable, Accounts Receivable and Insurance Processing. Along with the flexibility of the report generators, there are also several “standard” reports that are based upon either cumulative values or calculated results. These “canned” reports include:

 - Current Cash Position Report
 - Earned / Unearned Premium Reports
 - Insurance Report Generator
 - Insurance Sales / Production Reports
 - Insurance Sales Averages By Year
 - Insurance Sales By Exposure
 - Insurance Sales By Form and LOB
 - Management Financial Reports
 - Policy Percentages By Business Year
- **Underwriting Process:**

The underwriting process is actually a series of functions as well as a multiple of query processes that have been grouped together onto one window and are all from the perspective of a specific insured.



Once an insured has been selected from the existing database or created as a new entity, the underwriter typically would take the following steps that will eventually lead to binding a policy:

- **Submission** – New application process for existing or new insured; gather insured demographics and producer information.
- **Rating** – Enter exposures, limits of liability and underwriting adjustments to calculate a premium value for a unique line-of-business.
- **Quoting** – Select specific rating record(s), add carrier, state and agency fees in order to provide a policy quote to the producer or insured.
- **Binding** – Given that a quote has been accepted, specify appropriate policy inception and expiration, provide applicable retro-dates, specific exposure and/or limits information and a policy number in order to produce a policy declarations page. Bound policies may be stacked in a “pending queue” awaiting final approval and issuance at a later date, or may immediately forwarded to the policy issuance process in GAAPinsurance.
- **Policy Issuance** – Based on the pre-defined document processing rules for this carrier, state and policy LOB(s) the appropriate forms are automatically compiled and are “scanned” to verify that the current policy information is complete. Any user-defined “optional” fields or data entries are prompted for at this time. Once verified, the policy may be displayed for review, printed or suspended for printing at a later date.
- **Invoicing** – Depending on the rules established for the carrier and the billing / payment plan selected, Accounts Receivable invoices may be generated for the producer and/or insured. If the policy is on a payment plan, the down payment portion is immediately billed and the remainder is posted to accrued receivable and income accounts where it will be processed by next appropriate billing cycle. Accounts Payable vouchers are generated for payment to the producer (unless the producer “keeps” his commission out of cash receipts from the insured), the carrier (premium and taxes and fees, unless a filing agent is involved), filing agent (unless the producer is the filing agent) and the MGA commission.
- **Endorsements** – Follow the same basic cycle as new or renewal business in that rating records for each premium-related LOB change must be created prior to quoting and “binding” the endorsement. Non-premium endorsements may or may not have to be processed as a “policy endorsement”, commission rate changes for example.
- **Diary Updates** – Throughout the entire policy processing cycle, underwriters and others may diary events to a specific policy and insured. Events have related entry and follow-up dates, comments and a completed date. Events may be forwarded to another person for processing. Inquiries and detailed diary reports may be generated for selected events, date ranges, an insured, a producer, event code and/or underwriter.
- **Renewal Processing** – Renewal status for any policy is easily accessed via a tab on the insured / underwriter window. Workflow dates, premium values by LOB and underwriter notations maintained.