



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 be 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.