# TMPAA Vendor Panel

## Solutions for Efficiency, Profitability and Growth

Facilitated by Wayne Umland

# Agenda

- Four categories of solutions
  - Rating
  - Data Exchange between AMS and Carriers
  - Enterprise Solutions
  - Data & Analytics
- Eight presenters – 6 minutes each
- Questions & Discussion at the end

Wayne Umland Consulting

TARGET MARKETS
Program Administrators Association

# Rating Solutions
# Instec

Kevin Mason, EVP Solutions

Wayne Umland Consulting

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Program Administrators Association

# About Instec

- 130 employees – all U.S. based
- Headquartered in Naperville, IL
- In business 33 years
- $20M in annual revenue
- Serving over 30 direct licensed clients
  - Supporting over 200 subsequent entities using Quicksolver
- Commitment to continuous improvement in both products & services
- No legacy – no clients left behind on obsolete technology
- 100% implementation success rate

For more than 30 years, Instec has been staunchly committed to arming insurers, general agents, and underwriters with the speed and agility they need to get and remain competitive, in any marketplace.


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# Commercial insurance: Darwinian economy

- Carriers balance sheets underleveraged
- New players & the demands of capital
  - Reinsurance, foreign entities, non-traditional investment vehicles, Wall Street, etc.
- New paradigms & disruption
  - Driverless cars, drones, cyber, aggregators, technology advancements, generational changes/demands/expectations


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# Competitive advantage – Sustainable?

- Speed to market is critical in times of disruption
  - Books move, appetites change, distribution shifts, and you have to be able to react
- Investments to be calibrated to the opportunity because of uncertainty
  - No desire for large IT investments
- Commitments to business are needed which require certainty
  - Many constituencies involved in a major business decision, and technology must be an enabler


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# The new value proposition for Policy Admin

| Value Prop | Drivers | Proof Point |
|---|---|---|
| Speed to market | Working content out of the box<br>Cloud based delivery<br>Configuration by business users<br>High reuse | Program carrier leverages cloud-deployment to quickly capture $60M program before others could act – in 8 weeks |
| Low cost of entry | Usage based pricing<br>Contracts that are not front loaded | Start-up program moving from broker to PA – needed system to accommodate fronting company – 10 weeks |
| Reliability | Working content out of the box<br>High reuse<br>Architecture that accommodates change | Program carrier wants to capture new program, but neither have a system, proof of concept to production in under 3 months |

*Anything else is tomorrow's legacy*



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# Rating Solution
# NetRate

Tom Rahl, VP Sales & Marketing

Wayne Umland Consulting

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# About Us

NetRate systems

**30+**
Years Rating Experience

Property & Casualty Insurance

Commercial Lines

*Rating*
*Policy Issuance*
*Data*

Solutions

ISO
Business Partner

NCCI
Business Partner

**65+**
Clients

*"Not only do they understand insurance terminology, but they also understand the flow of business."* – Jeremiah O'Donovan, President, O'Donovan & Associates

# Our Solutions

- **NetRATE Rating System**
  - Powered by NetRate NetSYNERGY Rating Web Services
  - Supports All ISO®, NCCI, and Custom Lines of Business
  - Full Policy Life Cycle with Batch Renewal Processing
  - Built-in Integrations
  - ISO® Statistical Coding & Company Reporting
  - Hosted, Web Based Solution with Agency Portals
- **NetPPS Policy Issuance & Forms Management**
  - Powered by NetRate NetSYNERGY Forms Web Services
  - ISO Forms for All Lines of Business Mapped and Ready to Use
  - Carrier Specific Forms Supported
  - ISO & Carrier Business Rules Implemented

*"We have one source for our rating, quoting, pulling data for proposals and updating any information once coverage is bound and the policy is issued...*
*...NetRate solved our workflow nightmare."* - Tina Land, COO, Venture Insurance Programs

# Data Exchange
# Input 1

Chris Farfaras, EVP & Chief Sales/Mktg Officer

EARN More!
You don't have to be a
Rocket Scientist
to make more money.
Start earning more today!
TARGET MARKETS
Program Administrators Assoication
INPUT 1
INPUT 1

# CLOSE MORE BUSINESS and EARN MORE MONEY

- **FACT:** Offer a point-of-sale billing option and your **Hit-Ratio** improves dramatically.

Program Administrators work hard to develop a product and capture the market.
Now you can easily bill for it!

## INSTALLMENT BILLING

**Pay-in-Full** installment plans and an **online portal** make the insurance buying process completely pain free for agents and your staff.

## INTEGRATED PREMIUM FINANCING

With **NO ADDITIONAL DATA ENTRY REQUIRED BY YOUR STAFF**, a finance agreement can be included with your insurance quote. Make your offer more compelling for the agent and the insured.

## INSTALLMENT BILLING OPTION

- **Outsourced Billing Center:** Complete Turnkey Solution for your insurance program.
- **Time to Market Advantage:** provide a low cost, highly professional service in 30 days or less.
- **Web Portal Option:** Offer payment terms and options over the web with a clean and easy interface.
- **Reduced Expenses:** Eliminates the costly expense of billing and collecting of premium dollars.
- **Commission Handling:** Commission tracking, reporting and disbursements are handled allowing you more freedom to do what you do best...write insurance.

## INTEGRATED FINANCE OPTION

- **No additional Keystrokes:** No additional data entry is required to produce this billing option.
- **Improved Retention:** Our online cancellation hold feature and online payment options help you avoid costly cancellations and rewrites.
- **Cross Marketing:** Send targeted messages to your insureds AT NO COST TO YOU!
- **Increased Income:** Various revenue participation programs that allow you to capture additional income.
- **Increased Cash Flow:** You get funded electronically and on time for each account placed.

Welcome to PBS - Premiu ×

# Account Setup

**Thank you for choosing us for your billing needs**

International Insurance Company has appointed Insurance Payment Services as a convenience to you. In addition to the premium and policy fees charged by the carrier, Insurance Payment Services can collect your negotiated broker fee from the insured on your behalf.

**Producer Information**

ABC Insurance Group
37 Radio Circle Drive
Los Angeles, CA 10543

**Insured Information**

Fail-Safe Security Inc.
3032 N. Pinewood Street
Orange, CA 92865

**Policy Information**

| | |
|---|---|
| Submission ID: | ABC5DEF0G123456 |
| Policy Effective Date: | 2015-09-11 |
| Total Premium: | $700.00 |
| Policy Fee: | $125.00 |
| Policy Tax: | $10.00 |
| Broker Fee: | $ |
| Policy Total: | |

Update Total

**Installment Options**

- ○ Pay in full
- ○ 15% down with the balance paid in 8 payments, collected monthly until paid in full
- ◉ 10% down with the balance paid in 10 payments, collected monthly until paid in full

**Broker Fee Options**

- ◉ Collect the broker fee upfront along with the down payment and the policy fee
- ○ Collect the broker fee over the same number of installments as the selected installment above

☐ By selecting the broker fee option above, I understand that the broker fee will NOT be fully-earned and bind time but instead will be earned when received according to the selected payment schedule

**Payment Information**

Payment Type: ◉ Credit Card ○ ACH

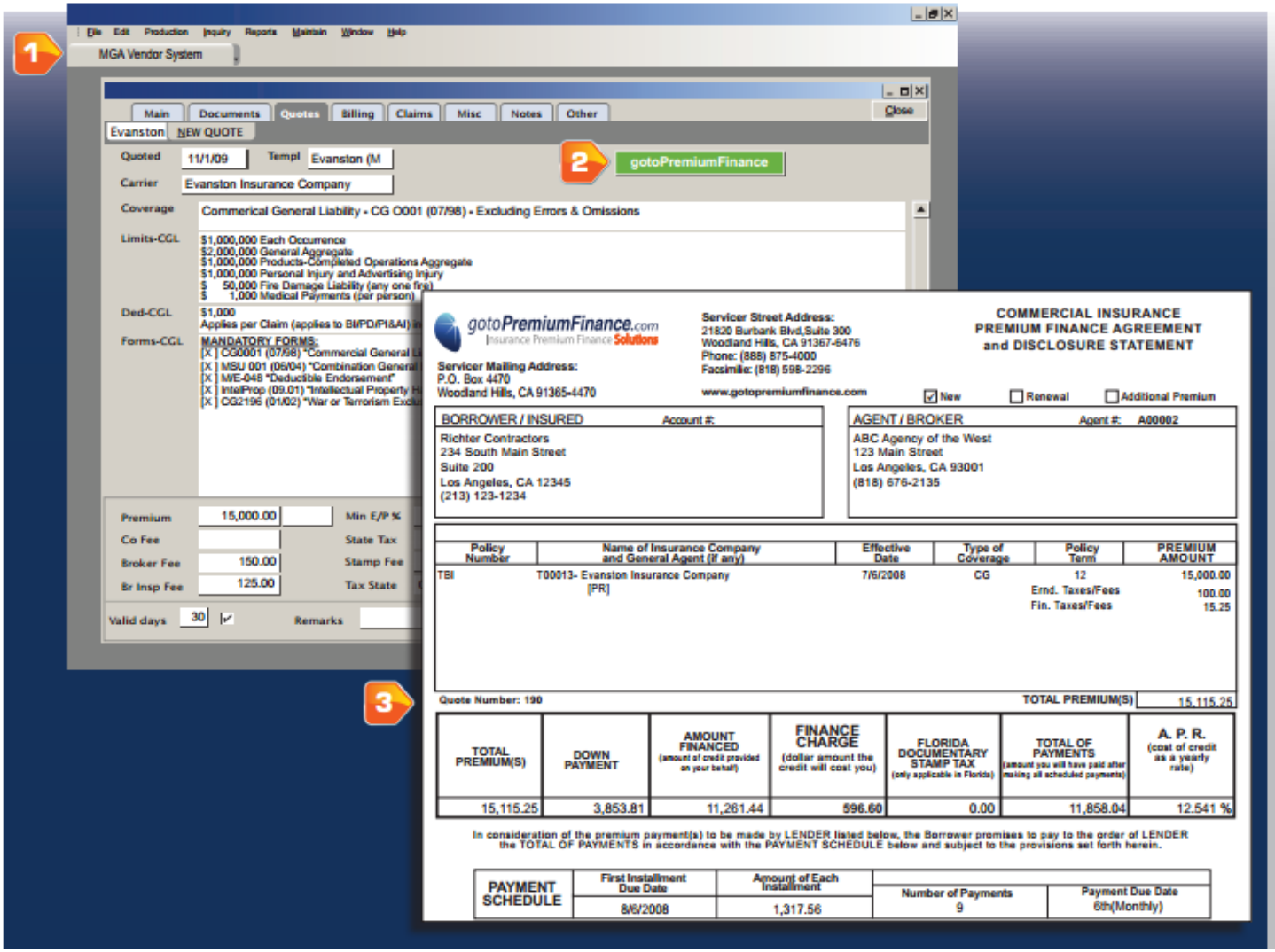
Please enter the name as it appears on the credit card statement.

Name:

Email Address:

INPUT 1

# Integrate your agency — with no additional work for your staff!




*Three easy steps, no added keystrokes. It's <u>that</u> easy!*

1. We work directly with your agency management system vendor or your IT staff to allow your system to send necessary quote data to **gotoPremiumFinance.com** seamlessly.

2. An icon is added to the agency management system, allowing your staff members to automatically generate a premium finance quote.

3. With a click of the mouse your staff is brought right to a signature-ready finance agreement that can be emailed directly to the agent along with the insurance quote.

INPUT 1

# About Input 1

Input 1, LLC, formed in 1984, is an **independent** third party administrator, software developer and specialty consultant dedicated to the insurance premium financing space.

- Currently services more than 150,000 loans per year and provides online account access to over 1 million policyholders and brokers.
- Provides outsourced installment billing services to insurance carriers and general agencies throughout the United States.
- Is the largest premium finance and auto warranty finance software provider in the United States.
- Our outsourcing, consulting and software systems are used by 3 of the largest insurance premium finance companies in the United States, including:
    - AFCO/Cananwill, Inc. (subsidiaries of BB&T Bank, BBT:NYSE)
    - First Insurance Funding Corp. (a subsidiary of Wintrust Financial Corp., NASDAQ: WTFC)
    - IPFS (Imperial PFS)

In addition to the top-tier premium financiers, **Input 1** lists as its clients more than 100 regional premium financing companies throughout the United States, Canada and the U.S Virgin Islands.

Since 1990, **Input 1, LLC** has been chosen as the back-up servicer for premium finance receivables ranging from $50 million to $2 billion.

gotoPremiumFinance is a wholly-owned subsidiary of **Input 1, LLC**. and it's the retail lending division of **Input 1, LLC**. We're authorized in every state in the Union for both commercial and consumer premium finance lending.

# Data Exchange
# IVANS

Rex Fledderjohn, Regional Sales Director

# FOCUS: PA SALES & UNDERWRITING CONNECTIVITY

## PA-Agency

PROFESSIONAL SERVICES

Download
Real-Time
Portal
Solutions

**Automate the Exchange of Program Business**

## PA-Carrier

PROFESSIONAL SERVICES

Download
Real-Time
Portal
Solutions

# Enterprise Solutions
# Epic-Premier

Mike Cross,

Sr. Business Development Manager

Wayne Umland Consulting

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# Company

## HISTORY

*EPIC Solutions* (Software) – founded in 1996

*Premier Insurance Solutions* (Services) – founded in 1996

ConceptOne™ Software - initial release 1997

Merged into *Epic-Premier Insurance Services* - 2005

Lakeland, Florida

Mesa, Arizona

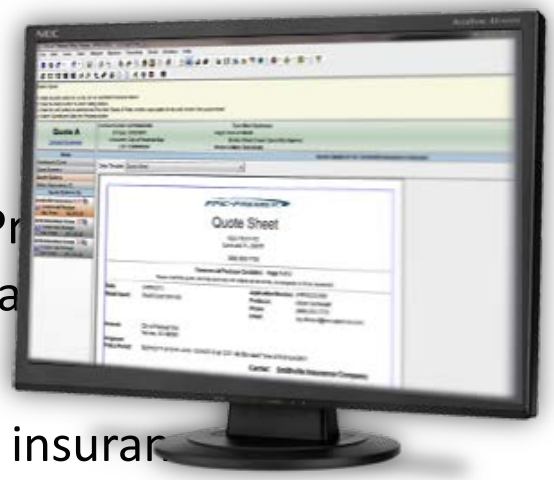
## LOCATIONS

Corporate, Business Solutions, Support - Lakeland, FL

# Our Story

CLIENTS

- More than 65 different insurance organizations
- Over 6,000 individual users




INDUSTRY FOCUS

- Offering automation solutions to the MGA/MGU, Pr
- Administrator, Specialty Carrier, and Wholesaler ma

HIGHLIGHTS

- Fully developed and highly configurable enterprise insuran software
- Software licensed based on seats (servers and users)
- Supports both MS SQL Server and SAP SQL Anywhere DBMS
- Full web service capabilities (policy, claims, accounting and document management)

# ConceptOne™ software

# Open Architecture Design

| | |
|---|---|
| **CONFIGURABLE BUSINESS LOGIC** | Workflows<br>SQL Based Workflow Branches<br>Custom Validation Rules<br>Quote, Bind & Policy Form Rules Engine<br>Rating Integration (Slot, Spreadsheet, 3rd Party, Custom) |
| **CONTROL OF PRESENTATION** | Custom “One Click” Reports<br>PDF Merge<br>MS Word Merge<br>Correspond Templates |
| **FLEXIBLE DATA CAPTURE** | Quick Single Data Entry<br>Mandatory Fields<br>Custom Code Tables (dropdowns)<br>User Defined Screens<br>Custom LOBs<br>Custom Products / Coverages |
| **OPEN ACCESS TO DATA** | Open Normalized SQL Database<br>Report Writer Tool<br>Web Services / XML Processing<br>Common Policy Centric Architecture |

# Enterprise Solutions
# Insurity

Terry Schwarting, Sales Executive North America

Wayne Umland Consulting

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# Policy Suite

# A New Approach to Core Systems

## No Programming, Coding or Scripting

## Screen-Based Configuration


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# Smart Configuration

## No Programming. No Coding. No Scripting.

- Add New Data Elements to Any Screen
- Build Workflow and Underwriting Rules
- Trigger External Interfaces
- Maintain Rates / Assess the Impact
- Design Documents and Forms
- Create Compelling Reports / Dashboards
- Test, Regress, and Deploy

## Screen-Based Configuration.

© 2015 Oceanwide, Inc.

# Bridge Smart Configuration

| Data | Workflow | Output |
| --- | --- | --- |
| • Content<br>• Validations<br>• Rules | • Screen Behavior<br>• Interfaces<br>• Tasks | • Forms<br>• Reports<br>• Dashboards |

## Bridge University

Skills development → Best Practices → Certification & Follow-up


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# Benefits of Bridge Configurability

## Speed To Market

- Launch New Products in Weeks Instead of Months or Years
- Make & Implement Changes Quickly and Independently

## Lower TCO

- Reduce External Professional Services Costs
- Leverage SaaS to Scale and Match Costs to Value

## Flexibility

- Drive Innovation & Creativity by Empowering Users
- Create Compelling Solutions Quickly & Inexpensively


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# Data & Analytics
# eagle*eye* Analytics

Steven Dorn, SVP Business Development

Wayne Umland Consulting

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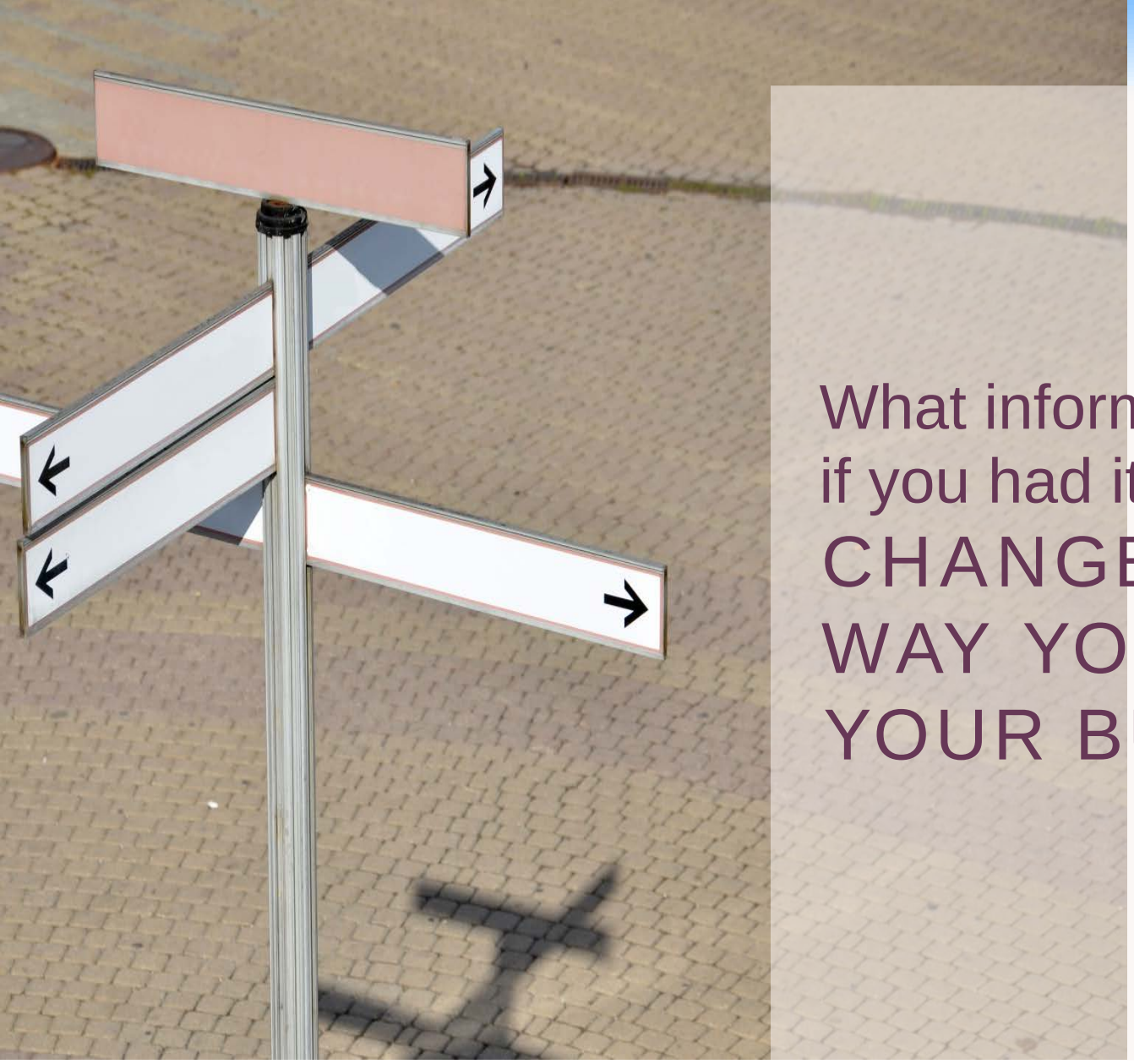
- **Predictive Analytics System for Insurance**
- Nearly 200 years' combined insurance business experience
- Founders have >40 years of R&D experience developing industry-leading P&C software solutions
- Clients range from $15M to $25B DWP – All lines
  - 3 of top 10 insurers in North America
  - International customer base
  - 52% personal lines / 48% commercial lines
- Partners

McKinsey&Company Milliman GUY CARPENTER



What information,
if you had it, would
CHANGE THE
WAY YOU RUN
YOUR BUSINESS?

| BEST customers<br>20% Loss Ratio | | WORST customers<br>160% Loss Ratio | |
|---|---|---|---|
| **DOOR MAN** | | **DOOR MAN** | |
| **Yes 51%** | No 77% | Yes 51% | **No 77%** |
| **SURFACE PARKING** | | **SURFACE PARKING** | |
| **No 27%** | Yes 93% | No 27% | **Yes 93%** |
| **HVAC** | | **HVAC** | |
| **Internal 33%** | External 58% | Internal 33% | **External 58%** |
| **PRIMARY ACCESS** | | **PRIMARY ACCESS** | |
| **Elevator 49%** | Stairs 34% | Elevator 49% | **Stairs 34%** |

**"There are risks we no longer accept that we had been accepting before because they met our criteria. But within our criteria, there were blind spots that EagleEye helped us reveal."**

**- Andy Potash,**
**Chairman, Distinguished Programs**

99% probability

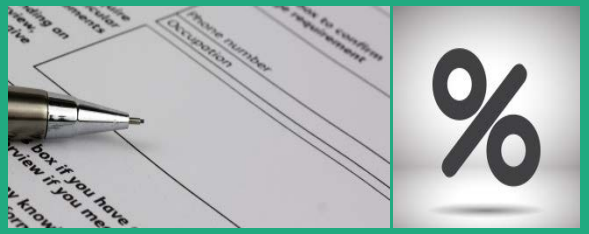
# High-Performing Restaurant Program

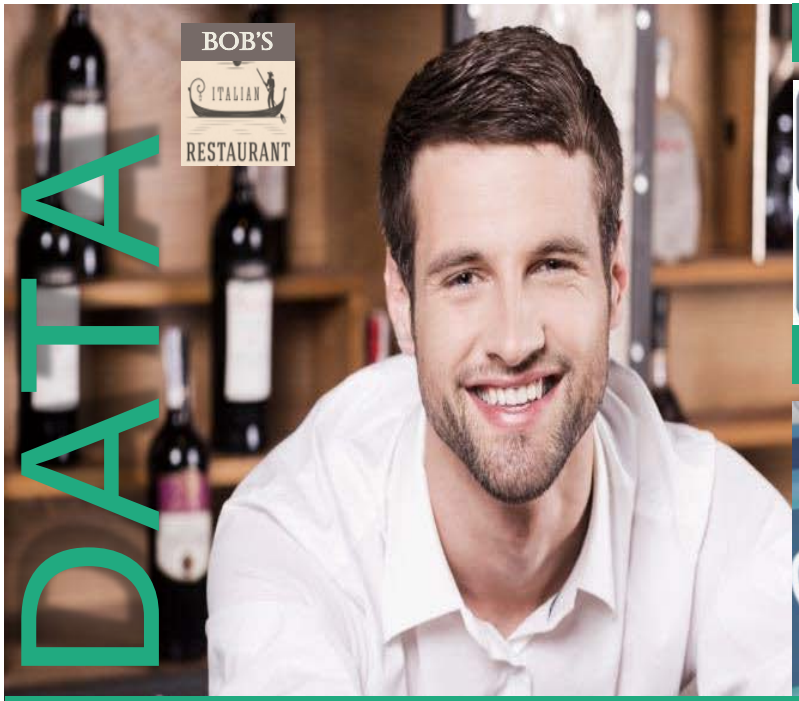
General Liability:
- General Liability
- Liquor Liability
- Theft
- Valet Insurance

Commercial Property Insurance:
- Property
- Business Interruption
- Theft

Employment Practices Liability:
- Worker's Compensation

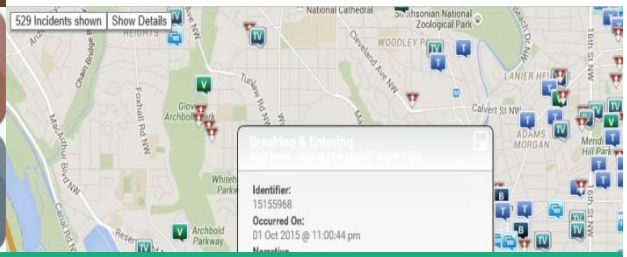
Limited knowledge






Social

Crime




Credit

Income

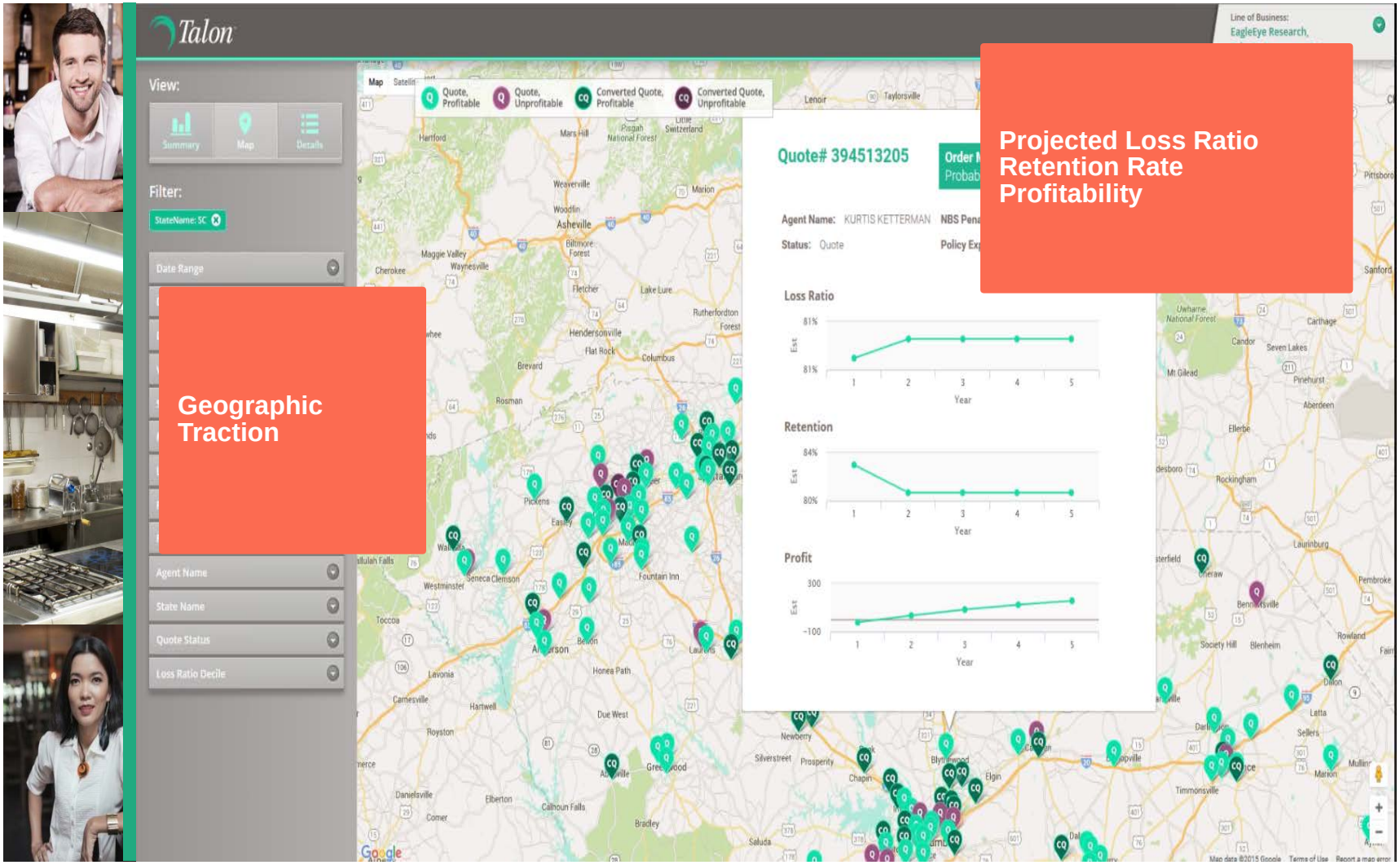
Building

Arrest Record

Fraud Profile

Geography

# Restaurant Program Analytics



# Restaurant Program Analytics

Talon

View:

Summary | Map | Details

Filter:

Date Range

Pricing Summary

| Value | Premium | Conversion Rate | Total Quotes | Converted Quotes | Profit Year 1 | Profit Year 2 | Profit Year 3 |
|---|---|---|---|---|---|---|---|
| IA | 214,345 | 38% | 153 | 51 | 19,873 | 30,335 | 38,542 |
| ID | 87,540 | 40% | 65 | 26 | 10,113 | 14,368 | 17,990 |
| | | | | | 47,745 | 93,135 | 128,958 |
| | | | | | 26,012 | 49,492 | 68,437 |
| | | | | | 9,370 | 20,080 | 28,462 |

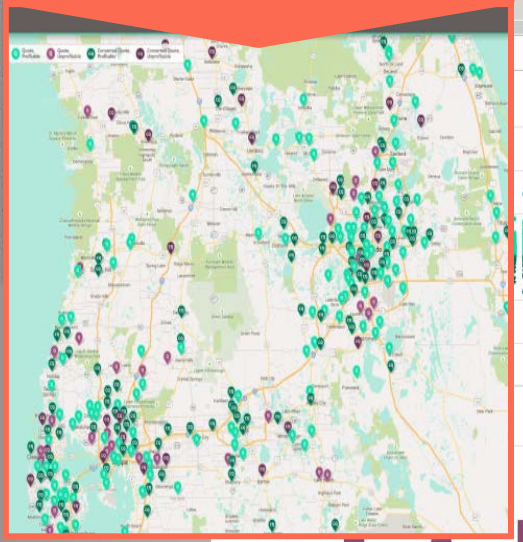
| Loss Ratio Year 4 | Loss Ratio Year 5 | Total Profit | Expected Claim Count | New Business Penalty |
|---|---|---|---|---|
| 67% | 66% | 189,213 | 14 | 5.23% |
| 64% | 64% | 86,470 | 6 | 4.66% |
| 72% | 72% | 615,897 | 73 | 3.92% |

**Profitability analysis**

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 85,367 | 99,340 | 75% | 73% | 73% | 71% | 71% | 328,647 | 37 | 4.14% | 106 | 1928 |
| 35,842 | 40,599 | 75% | 74% | 73% | 71% | 71% | 134,353 | 15 | 4.61% | 45 | 816 |

Results: 11 - 15 of 49

**Where are quotes converting?**



Converted Quotes

NB Penalty

Quotes

Exp Lifetime Profit

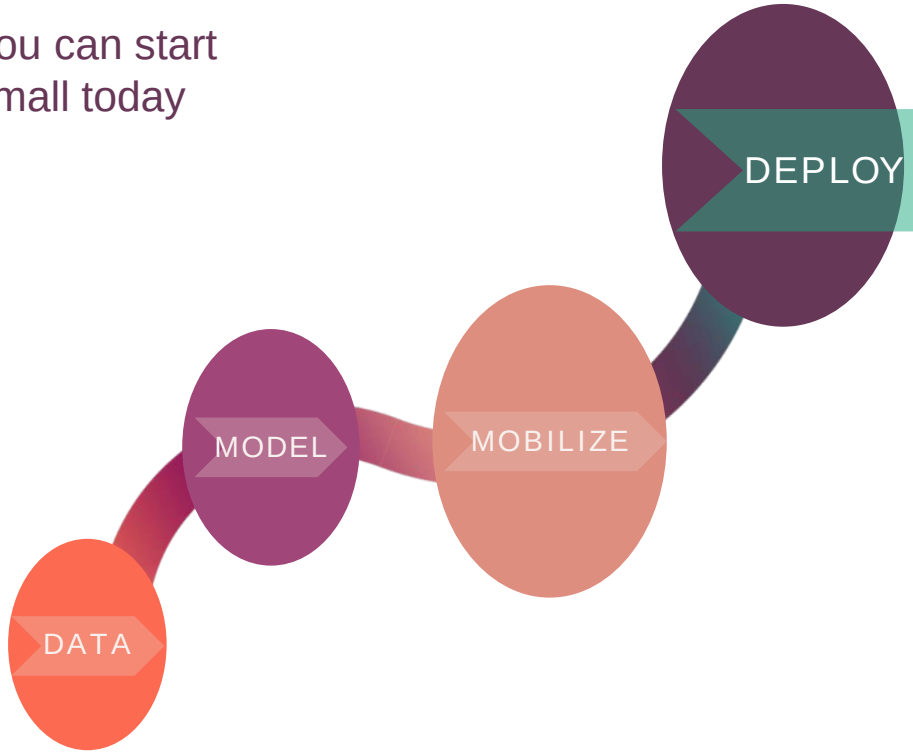
NB Penalty

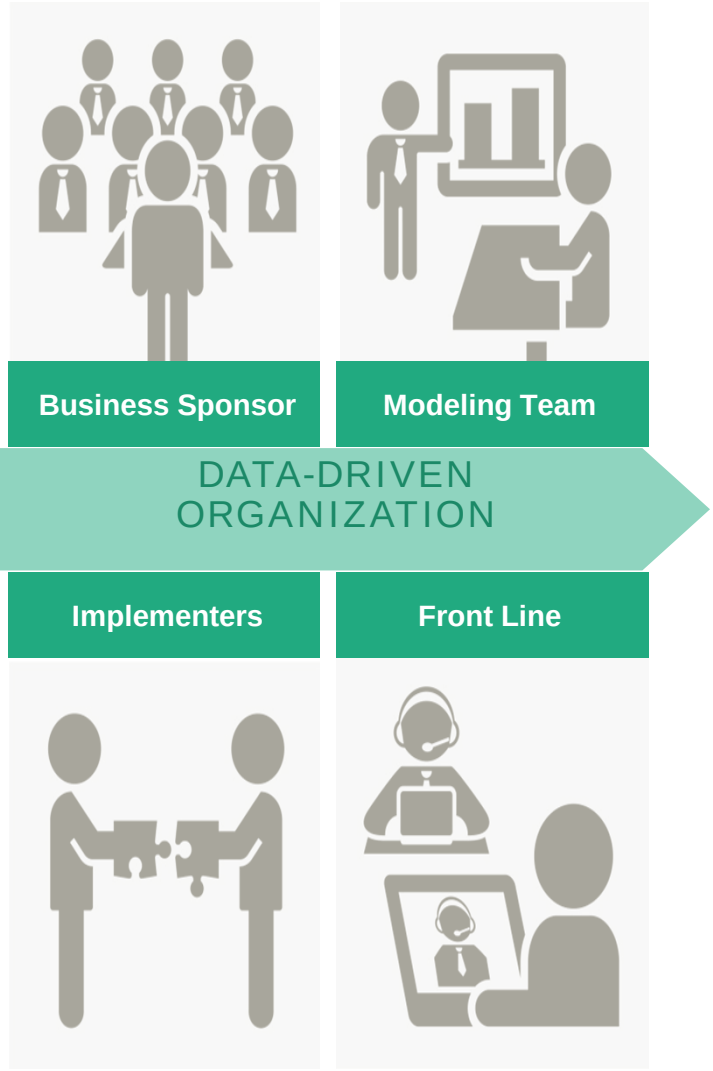
1100

1000

# Predictive Analytics Journey

You can start small today



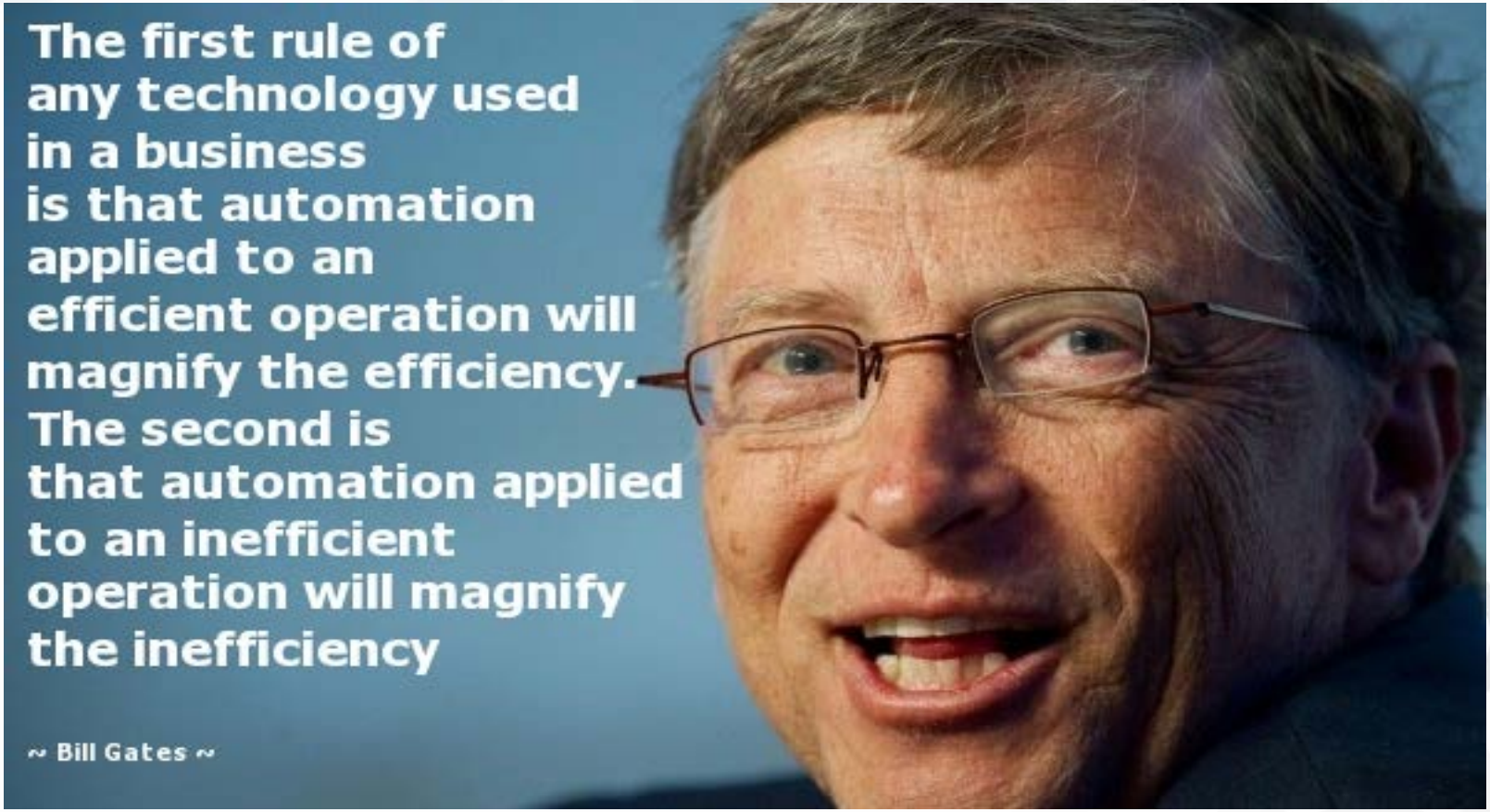



- **Understand more about the risks you write**
- **Convert raw data into actionable information**

# Data & Analytics
# Vantage Agora

Mike Fieseler, VP Business Development

# Business Today




**New Technology With Old Processes**

**=**

**Expensive Old Processes**

# Our Problem(s)

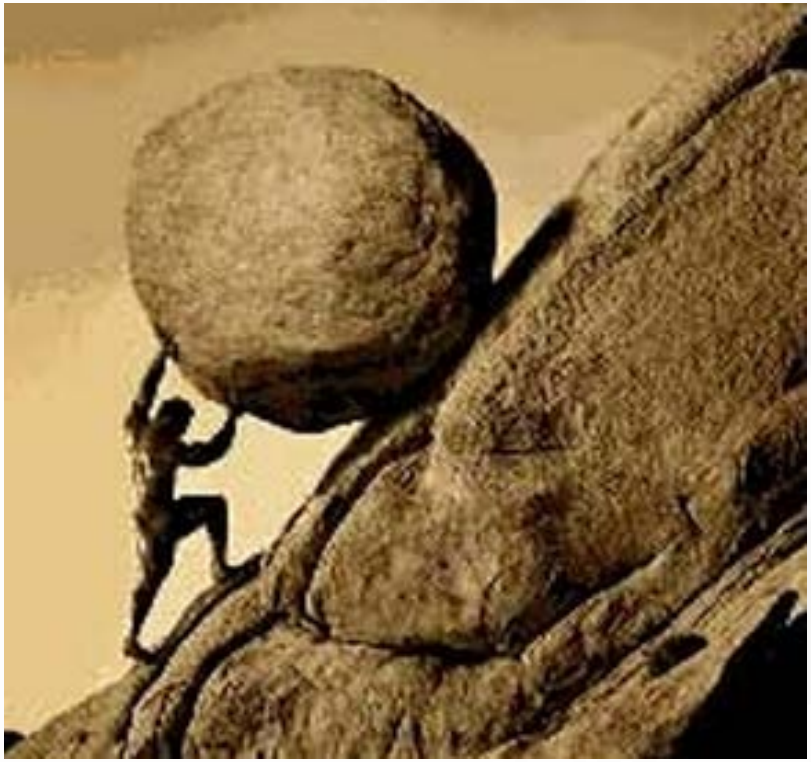
- **Communication**
- **Decisions made with stale data**
- **Turnover**

*The Age of the 'Service Software' has Arrived!*

***V*antage *A*gora**

***Executing Strategies to Success***

# Organization Issues:



# What We Did

- **Brought Together Disparate Data**
- **Incorporated Actionable Dashboards**
- **Made Work Fun**
  - **Gamification**
    - **Daily Rewards**
    - **Social Judgement**

*Connected Systems + Visibility + Actionable Data + Empowered Employees + Social Judgement = Operational Excellence*

**Vantage Agora Results**:

- 25% Turnover Reduction
- Six Sigma - Timeliness = 6.0 Quality = 5.6
- Increased Customer Satisfaction - Happy Employees
- Top Line Growth - Contained Bottomline

# Today

Customer Focus
+
Outsourced non-core processes
+
Software Enhancing Operations

# Discussion & Questions

If you saw anything that interests you,
email me for a copy of the presentation:
wayne@umlandconsulting.com

Wayne Umland Consulting

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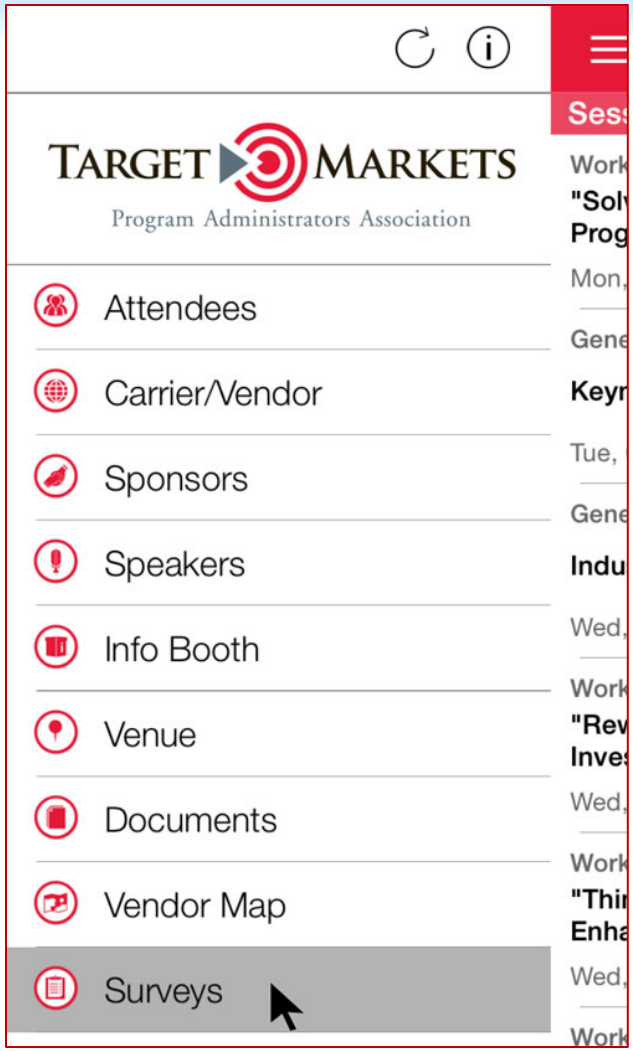


# Please take one minute to complete the survey for this session in your mobile app.

Click on "Surveys" …. Select your workshop and provide your feedback.

*Thank you!*

Wayne Umland Consulting

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