ACT Commercial Lines Download Work Group
Review of Accomplishments & Next Steps;
Recommended Agency Testing Process[1]

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Introduction

Successful implementation of commercial lines download (CLDL) is essential to the ability of independent agencies and brokers to take full advantage of the efficiencies available in the paperless environment that both agencies and carriers seek. Even though carriers are providing access to policy information electronically on their websites, agencies still need policy data in their own systems in order to create output documents such as Certificates of Insurance, Binders, Auto ID Cards, Summaries of Insurance, Applications, as well as to engage in cross marketing and to generate various management reports. Without CLDL, this data must be maintained by the agency's staff.

Carriers and agency management system vendors have spent significant development hours and dollars building CLDL, and yet, agencies have been extremely slow to implement it. In addition, there are many examples where agencies turned on CLDL only to turn it off, because the download did not meet their expectations. In many of these cases, the agents felt that the download actually reduced the value of the policy data in their agency management systems.

The charge to this ACT work group, working in close cooperation with AUGIE and ACORD, was to bring representatives from the various stakeholders in the CLDL process together to identify the reasons why agency expectations have not been met. Agency management system user group members, other agents, carrier CLDL project team members, vendors, ACORD, IVANS and industry consultants all participated.

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[1] The Agents Council for Technology (ACT) is an association of agents, brokers, users groups, carriers, vendors, and industry associations dedicated to encouraging and facilitating the most effective use of technology and workflow within the Independent Agency System. ACT is a part of the Independent Insurance Agents & Brokers of America, Inc. (IIABA). See the ACT web site at www.independentagent.com/act for more information about ACT and its initiatives.

The work group decided to focus on three primary areas to improve the CLDL process so that agency expectations are met. These three areas involve: (1) providing greater implementation information for CLDL; (2) enhancing the certification process with agency testing; and (3) agency education and training.

Improving Implementation Information for CLDL

With ACORD's help, the work group identified the Minimum Data Sets and then developed the ACORD CLDL Implementation Guides for the five major lines of commercial lines—BOP, Property, General Liability, Business Auto, and Workers Compensation. These guides identify for the carriers and vendors the data elements agents need to receive in the CLDL process in order for the download information to be complete. If carriers can send more data than that contained in the Minimum Data Sets, then they are encouraged to do so.

These guides will also inform the agents as to what they can expect when they receive their commercial lines downloads. If the Minimum Data Sets are not sent by the carrier, then the exceptions should be clearly identified in the Carrier/Vendor Download Certification Document.

The ACORD CLDL Implementation Guides are currently in the approval process at ACORD.

Certification and Agency Testing

The work group identified that there was considerable misunderstanding regarding the specific processes and meanings of the various vendor certifications by both carriers and agents, and minimal, if any, agency testing of the downloads after certification. Agencies often interpret a vendor's certification of a carrier's CLDL process as meaning they can safely rely on the download to populate their database accurately.

So in the current environment, what does carrier/vendor certification actually mean? All that the carrier/vendor certification confirms is that the carrier can send data to the vendor in an ACORD Standard Electronic Format (AL3); that this data can be received and read by the vendor; and that this data then can be placed into the agency database in some standard location. The certification DOES NOT verify that the data sent is accurate, complete, or will appear in the agency database where the agent expects to see it or where the agent can re-use the information.

Also in the current environment, little, if any, information is made available to agencies relating to problems that are discovered by the vendor with the carrier's data, if such problems are discovered during the certification process.

Finally, little testing is done by "live agencies" once the certification process is finished.

The work group believes that an agency testing process would greatly improve the quality of CLDL implementation. In addition to developing a process, the work group developed a series of prototype documents to assist carriers and vendors in implementing the new process. These documents consist of a Carrier/Vendor Certification Document, an Agency Testing Checklist, and an Agency Testing Results Document. The work group consciously built in flexibility in both the process and the prototype documents so that carriers and vendors can adapt them comfortably to their individual processes. *The important things are that the agency testing process actually occur and that the Certification and Agency Testing Results Documents actually convey to the end users—the agencies—the information they need to implement CLDL successfully.*

Next Steps

Before laying out the agency testing process in detail below, it is important to emphasize that the work group's work to-date represents only the BEGINNING—A CRUCIAL BEGINNING. The steps we have taken—when implemented by the industry—will improve the quality of CLDL considerably and will put the user groups and agents associations in the position to advocate vigorously for the agents to implement CLDL. The work group understands that the education and training of agencies in CLDL is the critical next step for it to tackle. The staff support of the work group will move from ACT to AUGIE as we take on the education and training phase, because of the predominant role the user groups will perform in carrying out this systems specific training and education.

Vendor Certification & Agency Testing Process for Commercial Lines Download

1. Vendors publish the steps in their certification process and define what they are certifying for the benefit of the carriers and their agency users.[2]

2. Vendor Certification is completed as defined by each vendor, to include whether and how the carrier is sending the Minimum Data Set Requirements.

   The vendor and/or carrier should post on its private site for its agent users, agency management system specific implementation information for the certified carrier. This report should provide the agency with the information it needs to set up its system to receive the download from the specific carrier and includes all of the settings, codes, transaction types, carrier contact information, any exceptions to the minimum data set being sent, and any other particularities in the carrier's downloads. A prototype Vendor/Carrier Certification Document is included as Attachment A.

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[2] Most vendors prefer that a downloading company complete the ACORD certification before submitting to the vendor for its certification. If the carrier secures the ACORD certification, then the vendor knows that the data groups are well formed, the Hierarchy and parent child references are valid, and the code values are supported in the standards.

3. Once Vendor Certification is complete, the vendor notifies the carrier that it is certified for download and encourages the carrier to undertake an agency testing process. The results of this testing process will form a supplement to the implementation information provided by the vendor and/or carrier referred to in Section 2 above. The objective of the agency testing process is to develop the necessary information to advise agents and brokers on the following issues with regard to the carrier's downloads to a specific agency management system:

    -   Any coverage or underwriting detail contained on the producer's copy of the policy that the carrier is unable to download;
    -   Any fields being overwritten in the agent's system even though the carrier is not sending updated information to that field;
    -   Any information that is downloaded to an unanticipated place on the agent's screen displaying the ACORD standard format and where it is being sent; and
    -   Any other idiosyncrasies in the download to that system.

    The work group encourages that agency testing be done before a carrier implements a new download broadly to create the best agency experience. However, if the carrier decides to begin implementation, before agency testing has been completed, then the carrier and/or vendor should post with their carrier specific implementation information that agency testing has not yet been completed.

    The work group has developed a prototype agency checklist document (Attachment B) to assist carriers in implementing their agency testing process.

4. Carrier selects the agencies it wants to use to do the testing and forwards them the prototype checklist or implements its own process designed to determine the information contained in the underlined portion of Section 3 above. It is recommended that carriers select a good cross-section of agencies to use, representing different regions as well as varying premium sizes of commercial business. It is also recommended that these agents be on the most current versions of their agency management system and be up-to-date with their patches. Carriers also are urged to do additional agency testing before they roll out the download in new states having idiosyncrasies and complexities.

    The user groups and/or vendors are encouraged to assist the carriers with the agency selection and testing process by urging agencies to participate in the testing process[3], by providing a list of willing and experienced agencies organized by size and state, and by publicizing a clear contact point for carriers seeking such information.

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[3] The work group suggested that it would be helpful for the user groups to prepare a letter that carriers could use to encourage agents to participate in the agency testing process.

5. Carrier and agency work together to test the download and ascertain the information described in the underlined portion of Section 3 above. The carrier then prepares a report delineating the agency testing results for each of these issues. This completed information should include agency contact information for those of the tested agencies which agree to be contacted by other agents. A prototype Agency Testing Results Document is included as Attachment C.

6. Vendor to review the agency testing results and work with the carrier to address any issues identified during the tests.

7. If changes are made to correct problems, it is recommended that carriers undertake agency re-testing when appropriate.

8. Once the vendor and carrier complete the agency testing phase, then the final agency testing results should be published as a supplement to the specific carrier implementation information referred to in Section 2 above. This information also should be posted on either the vendor's or the carrier's private website, as the parties agree, along with carrier specific implementation information. Links to the reports should be provided to the other party as well as to the user group, so that an agent can access the relevant agency testing results from the vendor's, the carrier's, or the user group's private site. These reports should include the testing agents' contact information, where these agents agree to be contacted by other agents.

9. We recommend that carriers who are already certified with the vendor undertake this agency testing process, or if such agency testing has already been undertaken, complete the agency testing results containing the information outlined in the underlined portion of Section 3. This information would then be published and posted as provided in Section 8. In this way, carriers will communicate positive information about their commercial lines downloading that will encourage additional agencies to use it.

10. If a carrier makes a significant change in its systems that impacts its downloads (such as a change in data hierarchy or the implementation of a new policy-writing system), it is recommended that the carrier conduct appropriate agency tests and update its agency testing results with agency provided new test information. The vendors are likely to ask the carrier to re-certify as well in this situation.

11. Agents are encouraged to continue to pursue outstanding issues that are not resolved by this agency testing process, by taking them to the appropriate committee in their User Group if the issue relates to the vendor, or to the carrier's agency council. These are regular channels for agents to use to build support for needed changes.

The members of the ACT Commercial Lines Download Work Group, which produced this

report, include:

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Charlotte Howell, AMS Services
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Approved by ACT Commercial Lines Download Work Group
and ACT Governing Council

Attachment A

Download Implementation Document for
(Insert Carrier) for
(Insert Vendor & Agency Management System)
(Prototype Form for Carrier or Vendor to Complete)

This document provides agencies with information they will need to set up their Agency Management System to receive the download from the carrier named above and includes all of the settings, codes, transaction types, carrier contact information, exceptions to the Minimum Data Set being sent, and any other particularities in the carrier's downloads.

Introductory Carrier Information regarding Download: (to include carrier name, address & contact information should agents have questions)

Introductory Vendor Information regarding Download: (to include vendor name, address & contact information should agents have questions)

Agency Management System on which Download is being Certified (including any Version Limitations):

Writing Companies/   NAIC Codes:

IVANS Account Info:

Account ID: User ID: Origination Address:

Policy Number Format:

Lines of Business Certified:

Transaction Types Supported:

Company Unique Codes by Line of Business: *Note – it would be best if this section actually contained a link to the location of the Carrier Unique Code information on the Carrier Website OR in some way directed the Agent to the location where the Company Unique Code List is maintained…

Detailed Information on Idiosyncrasies Discovered by the Line of Business Certified during the Download Certification Process including Any Exceptions to the Minimum Data Set being Sent:

Attachment B

Commercial Lines Download –Agency Testing Checklist
(Prototype Form for Agencies to Complete)

Please return the checklist to *(enter who at carrier's name, e-mail address and phone number)* **by** *(enter date needed back by).* **All testing should be completed by comparing against the policy declaration page.**

Agency Name: _____ Agency Code: _____
Contact Name: _____ Contact Phone: _____
Contact E-mail Address: _____
Agency Management System Vendor: _____ System: _____ Version: _____

Please plan to test 3 – 5 policies for each line of business using various transaction types (such as new business, changes, and renewals). Policies should vary in coverages & premium size. Please complete this form for each policy tested and list the transaction type tested.

Policy Number*: _____ Transaction Type: New/Renew/Endorsement
Line of Business Tested: _____ States Tested: _____
*Please note that for privacy reasons, the Policy # provided will not be published. This will only be used to assist the carrier to resolve any issues discovered during the testing process.

Before you start testing, for each policy you test, we suggest you have a printed copy of the policy and a printed copy of the application from your management system, prior to download, as reference. Once the policy is downloaded, print a copy of an application with the downloaded policy information. Review the documents and answer the questions below. When responding to the questions, please provide examples which illustrate what you were expecting to see versus what you in fact do receive. Attach all three documents to this completed checklist and return the package to your carrier.

Prior to allowing any test data into your system, it is recommended that you set up a test environment and not update any live clients. If your agency has a test server that it already is using, this would be the best place to test. If a test server is not available (which is the case for most agents), you should do the following:
- **Set up a Test Client for the purpose of attaching all test downloads.**
- **Verify with the carrier the policy numbers it will be sending.**
- **Change the policy number on the live data to a different number (add a dash, etc. This will cause the download of the policy to go to suspense.)**
- **Notify the CSR who handles the policies that are being tested what you are doing and ask him/her to leave the policy number as is with the changes. Possibly add a note to the file as to what is taking place and a follow up date.**
- **When the test policies are received, attach them to the test client.**
- **Review the test client policies to respond to the questions below.**
- **When all testing is complete, change the policy numbers on the test client but retain the**

data in case you need to refer back to it. Change the policy number on the live clients back to the correct format.

Please Answer the Following Questions:

Did the Policy Download process automatically or was manual processing required? This could be caused for reasons such as Agency Client Code, Policy #'s, NAIC Code or Effective Dates not matching. If manual, explain: _____

Yes: _____ No: _____

Is named insured and address listed correctly?   Yes: _____ No: _____
If No, please explain: _____

If property is covered, are all locations listed and listed correctly?   Yes: _____ No: _____
If No, please explain: _____

If vehicles are covered, are all vehicles listed and listed correctly?   Yes: _____ No: _____
If No, please explain: _____

If drivers are covered, are all drivers listed and listed correctly?   Yes: _____ No: _____
If No, please explain: _____

If there are additional interests, are they all listed and listed correctly?   Yes: _____ No: _____
If No, please explain: _____

Are all coverages listed and listed where anticipated?   Yes: _____ No: _____
If No, please explain: _____

Are all state specific coverages reflected correctly?   Yes: _____ No: _____
If No, please explain: _____

Is the rating information you need listed and where anticipated?   Yes: _____ No: _____
If No, please explain: _____

If items are scheduled, are they all listed and listed correctly?   Yes: _____ No: _____
If No, please explain: _____

Are all forms listed?   Yes: _____ No: _____
If No, please explain: _____

Have the premiums been received as anticipated?   Yes: _____ No: _____
If No, please explain: _____

Are there any other items that should be downloading that are not? If Yes, please explain:	Yes:		No:	

Did any information in your management system get deleted unexpectedly by the download? If Yes, please explain:	Yes:		No:	

Did the download incorrectly overwrite any information in your management system? If Yes, please explain:	Yes:		No:	

Is the Transaction Type what was expected? If No, please explain:	Yes		No	

Thank you for taking the time to participate in this process. If there is anything else that you discovered during this download testing that you feel needs to be reported please feel free to do so below:

Attachment C

Commercial Lines Download - Agency Testing Results
(Prototype Summary Form for Carriers to Use)

The results of the Agency Testing are to be summarized and will form a supplement to the implementation information document provided by the vendor and/or carrier after the completion of the Vendor Certification.   The objective of the agency testing process is to develop the necessary information to advise agents and brokers on the following issues with regard to the carrier's downloads to a specific agency management system:

Carrier Name: _____ System Version: Vendor, System Version

Contact Name: _____ Contact Phone: _____

Line of Business Tested: _____ States Tested: _____

Transaction Type: New/Renew/Endorsement*

* **This summary document is typically completed for each transaction type, unless there is no difference in the test results specific to the type of transaction downloaded**.

Download Issues discovered specific to insured name & address:

Download Issues discovered specific to Location Information:

Download Issues discovered specific to Vehicle Information:

Download Issues discovered specific to Driver Information:

Download Issues discovered specific to Additional Interest Information:

Download Issues discovered specific to Coverage Information:

Download Issues discovered specific to State Specific Coverage Information:

Download Issues discovered specific to Rating Information:

Download Issues discovered specific to Scheduled Items Information:

Download Issues discovered specific to Forms:

Download Issues discovered specific to Premium Information:

Download Issues discovered relating to Information Not Downloading:

Download Issues discovered specific to Information being Deleted:

Download Issues discovered specific to Information being Overwritten:

Download Issues discovered not mentioned above:

Summary of Benefits Agencies Identified

Summary of Suggestions Agencies Made:

Agency Contact Information: (Agencies who have agreed to have Contact Info distributed)