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# VERABRIDGE

Connecting Insights and Actions

## Introducing the Next Generation of Integrated P&C Insurance Platforms



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### Meeting the challenges of a rapidly changing market

Insurance is an ever-changing business, yet most of today's insurance platforms were designed for very different, much more stable, times. Today, insurance companies need the flexibility to enter new markets rapidly, to adapt their underwriting criteria quickly to reflect the latest data available, and to intelligently automate those aspects of their business that lend themselves to sophisticated decision support, while also automatically detecting exceptions and routing those to individuals who can best handle them.

### The VeraBridge Insurance Platform

The VeraBridge Insurance Platform is the next evolution of functionality and technology for P&C carriers and MGAs to meet the challenges of today's highly competitive and changing insurance market. Our platform accommodates a wide variety of business scenarios on a continuum from large complex policy types that require tailored modeling and forms, to more standardized policies that lend themselves to automated underwriting and straight-through processing.

Built on patented technology, our solution is flexible, rules-driven, and web-based, incorporating the core processes for an MGA or carrier, as well as components that help develop new products and improve the effectiveness of the producer channel.

This document describes the capabilities of the VeraBridge Insurance Platform:

#### Core insurance functionality

- **Policy Issuance and Management**  
Submission input and process control, referrals to underwriters, quoting/binding/ issuing the policy, administering the policy after it is issued, and managing associated policy documents and forms
- **Rating & Pricing**  
Incorporate the client's rating and pricing algorithms and underwriting rules into the submission workflow; optionally, use the client's existing rating engine.
- **Billing, Collections, and Commissions**  
Direct billing system for setting up and administering payment plans, payable by credit card, ACH, check or cash, handling payment exceptions, and computing and paying commissions to producers; optionally, use the client's existing billing system.
- **Producer Management & Collaboration**  
Enable carrier/MGA and producers to share information, plan collaborative sales efforts, and allow tracking of producer performance.
- **Product Development & Lifecycle Management**  
Tools and capabilities within the platform to rapidly develop, test, and deploy new products.

#### Analytics and Reporting

- **Analytical Dashboards**  
Online reporting of key indicators and performance tracking across the platform.
- **Integrated Enterprise Spreadsheet**  
An upcoming release of the platform will incorporate a spreadsheet analysis tool that is similar in look and

feel to Excel, but is incorporated into the application for direct read/write access to the underlying data.

- **Downloads to Excel**

Enabling direct downloads to Excel for further analysis or combining with other reporting.

- **Feeds to Third-Party Reporting Tools**

Provide file outputs that can be used by other reporting tools that the client has invested in.

## Technology, Security and Support

- **Technology**

VeraBridge technology enables online, real-time transactions processing, combined with the ability to analyze large-scale data sets for analytics.

- **Security and Compliance**

The VeraBridge platform has undergone and passed scrutiny from IT attorneys and IT compliance audits by PricewaterhouseCoopers. The platform has also passed stringent security and compliance audits, including intrusion detection by Lightwave Security, a leading IT security testing and services company.

- **Auditability**

Every transaction creates an audit trail so that any process can be recreated and verified in the event of policyholder or producer disputes, and to support DOI audits.

- **User Access Control**

Any number of user types can be configured in the platform to meet the client's security needs; from limited read-only to full administrative access.

- **Support**

VeraBridge provides clients with a 24-hour support desk, and online logging of issues and questions.

## Compelling subscription and cloud deployment model

- **Software as a Service (SaaS)**

Clients access the platform securely over the web, with no upfront hardware or software investments, and with a simple monthly subscription fee tied to the amount of business being processed.

- **Cloud deployment**

We leverage the infinite scalability and flexibility of cloud computing and storage, delivering robust services to our clients at significantly lower cost than internal data centers or hosting services.

- **Professional Services**

Our consultants work with clients throughout the implementation process to ensure their solution is tailored to meet their unique needs.

## Next Generation P&C Insurance Platform

### Core Insurance Functionality

#### Policy Issuance and Management

The VeraBridge Policy module provides online, real-time capabilities for straight-through processing of policies (quote to issue) and post-purchase policy management during the life of the policy.

#### Submission Processing

- Straight-through processing of policies without manual intervention
- Producer portal for online collection of submission information with error checking
- Input of submissions by carrier or MGA staff
- Online entry of submissions received by other means (e.g., fax)
- Real-time validation and error checking of input data
- Duplicate submission check by "fuzzy matching"
- Fuzzy matching of potential duplicate brokers for flagging
- Real-time accessing of external sources (e.g., geocoding, ISO protection class, OFAC, etc.) to enrich and extend submission data.
- Upload and attach documents received with a submission to definable folders

#### Submission Rating & Pricing

- Fully integrated with VeraBridge rating and pricing module
- Auto-upload to third-party raters or rating models, and receipt of rating results

#### Underwriter Referral Operations

- Automatic modification of policy coverages based on underwriting rules
- Underwriter overrides with explanations
- Underwriter diary for commenting about overrides or adjustments to automated underwriting rules
- Modification of pricing factors within the system for single policy
- Decline codes drop-down selection configurable by administrator

#### Premium Quick Quotes / Estimates

- Present premium estimates to producer with minimal information.
- Online changes to policy conditions and immediate re-rating and re-pricing
- Provide multiple quotes for multiple layers and participations

### **Policy Issuance**

- Configurable policy number schemes
- Generation of policy forms with dynamic content
- Policy versioning
- Integrated email capability (email directly from system)
- Emailing policy docs to producer, customer, and/or certificate holders

### **Post-Issuance Policy Management**

- Premium and non-premium bearing, modeled and non-modeled endorsements
- Unique endorsement rules (e.g., if change of address over 100 miles, refer to underwriter)
- Out-of-sequence endorsements
- Change of limit endorsements
- Cancellations for non-pay
- Underwriter-initiated cancellations
- Customer-initiated cancellations
- Reinstatements
- Renewals

### **Claims Systems Input**

- Online FNOL completion
- FNOL feed to claims system

### **Policy Document Management**

- Online management of forms inventory
- Rules for selection of correct forms and form sequence based on product and jurisdiction
- Document version control

### **E-Mail and Letter Templates**

- User-managed and accessed templates for emails that can be sent from within the system.
- Template email text can be overridden for any specific email to be sent

### **Producer and Customer Support**

- Policy transaction history for inquiries and customer service

### **User Configuration**

- Administrative control of user rights
- Read-only users across all screens
- Read-only users for certain balance sheets (subsidiary carrier companies)

### **Reporting**

- Policy management screen shown, for example, written premium, earned premium, annualized endorsed premium

- Data can be downloaded to client-defined Excel templates
- Customer and producer level reports
- New business, quotes, quote-to-policy conversion reports
- Output to SQL databases
- Surplus lines reporting

### **Workflow Management**

- "Workbasket" for users to manage workflow
- Tracking cycle time for complex submissions to policy issuance
- User deployment of additional data fields in screens as business needs change
- Full audit trails of all system actions

### **Rating & Pricing**

Most of the information gathered in the submission process is the critical input into the underwriting process to rate and price the policy. This information is fed into the model used by the carrier or MGA.

VeraBridge Rating & Pricing is offered as an integral part of VeraBridge Policy Administration, or as a standalone module that can be used in conjunction with other policy administration systems. This module is tailored to the risk rating model and pricing structures desired by the client. Thanks to our advanced technology platform, this tailoring to client models is quick and efficient.

### **Underwriting Rules**

- Client-defined rules for approving or referring submissions
- UW rules versioned as the rating and underwriting model changes over time
- Rules to rate and price policy coverage modifications

### **Rating and Pricing Model and Rules**

- Real-time rating and pricing
- Accommodates any type of rating and pricing model, including ISO factors
- Accommodates complex frequency and severity models for multiple perils
- Rating model is versioned as the rating and underwriting model changes over time
- Define multiple modeling options for different layers
- Accommodate rating and pricing of non-modeled perils

### **Premium Calculation**

- Premium calculation is based on a configurable set of lookup-data and factors

### **Input / Output Configurations**

- Fully integrated into VeraBridge Insurance Platform
- Industry standard XML messaging format to receive rating and pricing data from third party policy systems, with error reporting
- Automatic parsing of input files to input risk data into third party models

### **Modeling “Sandbox”**

- Workspace used to test different models before deployment

### **Workflow Management**

- Manager assignment of modeling jobs based on modeling pipeline
- Load balance underwriters and modelers based on submissions-in-process
- “Workbasket” for users to manage workflow, differentiated for different types of users

### **Billing, Collection, and Commissions**

VeraBridge Billing is a comprehensive real-time direct billing system that enables clients to define how they will be paid and when, process the payments, deal with payment exceptions, and handle the back office integration with accounting and collections.

VeraBridge Billing is offered as an integral part of VeraBridge Policy Administration, or as a standalone module that can be used in conjunction with other policy administration systems.

### **Plans and Structures for Premium Billings**

- Single or installment payment plans
- Customer can select their own billing date for future installment payments
- Certain payment plans offered only if certain criteria met (e.g., installment plan only if premium exceeds a minimum amount)
- Payment plans can be customized at a detailed level (e.g., specific producer, premium size, geography, coverage type, etc.)
- Billing rules can vary by product, geography, even producer
- Rule-driven installment fees to installment plans
- Aggregator billing in multiple ways (e.g., bill aggregator for them to bill members or bill members individually then net to aggregator)

### **Plans and Structures for Paying Producer Commissions**

- Commission plans can vary by product, individual producer, geography, producer premium volume (tired commission plans)
- Temporary commission plans for special incentives
- Online commission statements and histories available to producers
- Commission calculations and reconciliation

### **Computing Premium Payment Amounts**

- Initial policy and endorsement amounts billed stay ahead of earned premium
- Endorsement premium can be spread over remaining installments

### **Methods to Pay Premium**

- Online payment by credit card or ACH (integrated EFT capabilities, no need for clients to interface to a third party)
- Agency or customer can enter payment information
- Automatic creation of billing statements e-mailed to customer

### **Premium Payment Processing**

- Real-time credit card or ACH payment processing
- Online entry of check or cash payments
- Automatic collection of future credit card and ACH installment payments
- Automatic generation of invoice for future check installment payments
- Batch payment processing
- Automatic generation of receipts
- Interface to industry standard GL systems
- Rules-based assignment of payments to different policies of same customer
- Allocation of premium payment to underlying policies based on user-defined rules

### **Handling Payment Exceptions**

- Automatic exceptions handling through workflow rules
- Short-pay rules variable by policy type, geography, other policy variables
- Apply overpayments to next installment
- Non-pay cancellation rules to automatically initiate non-pay cancellation
- NSF reversals
- Rules for write-offs and refunds vary by authority level
- Late pay assessment rules

### Collection Support

- Automatic alerts of past-due payments
- Online lookup of payment history
- Manual write-offs and explanations

### Refund Payments

- Multiple methods for computing refund amounts from cancellations or endorsements (e.g., pro rata, short rate, seasonal pro rata)
- Interface to AP systems for refund payments.

### Commission Payment Processing

- Automatic generation of AP feed for payment of producer commissions

### Customer Management

- Online inquiry to billing and payment history to answer producer and customer questions immediately
- Search for policy payments based on multiple criteria
- Transaction level policy and account invoicing and payment history
- Total view of policyholder when VeraBridge Policy Administration system is used

### Management Information

- Data can be downloaded to client-defined Excel templates
- Customer and producer level reports
- Tracks fees and waivers
- Reconciliation reports

### Process Control

- User roles define information access
- Full audit trails of all billing and collection transactions

## Producer Management & Collaboration

The VeraBridge Insurance Platform provides unique tools and capabilities enabling carriers and MGAs to make the most of their producer sales channel. The common thread is that MGAs and carriers want to be easy to deal with for their producers, and have tools in place to manage this channel for optimal results.

### Producer Portal: Access to information specific to their business with the MGA or carrier

- Online producer self-registration and review of agency agreements
- Update about status of open submissions
- Online commission history reports

- Lead sharing for joint sales campaigns with MGA or carrier

### MGA / Carrier Portal: Access to information about all producers

- Overall and single producer dashboards with premium and policy trends, win rates by program, etc.
- Territory planning with Google Maps
- Nine standard management reports
- Customer lists and customer details
- Producer pipeline
- Prospect lists and prospect details

### Producer/Broker Registration and Management

- Assisted registration of producers, immediate ability to write policies
- Manage producer agreement documents
- Real-time verification of insurance license
- Online editing and adding of producers, producer offices, and individual agents.

### Cooperative Selling

- Lead sharing with producers and sales progress tracking
- Targeted sales campaigns and incentives
- Prospect list management
- Sales campaigns

### Producer Performance and Profitability Tracking

- Track producer premium, commissions, losses to understand profitability
- Key performance indicators
- Tracking win rates, price strength, and other measures of broker value

## Product Development & Lifecycle Management

The technology underlying the VeraBridge Insurance Platform is fully configurable and rules-based, enabling clients to accelerate new product rollouts and facilitating ongoing maintenance.

### User Interface Development Tools

- User-built screens based on drag & drop toolset for screen layout and workflow
- Automatically linked to underlying database without programming

### Product

- Product configuration rules

- Product testing
- Underwriting

### **Rating & Pricing**

- Implementation of client or third-party rating and pricing models
- Testing of models before deployment

### **Document and Forms Control**

- Document and form inventory management
- Document and form selection and ordering rules

### **Workflow**

- Logic-based workflow rules

### **Billing, Collections, and Commissions**

- Payment plan rules
- Payment exception rules

## **Analytics and Reporting**

### **Analytical Dashboards**

The VeraBridge Insurance Platform presents executive and detailed level views of the business, over the web. These dashboards are tailored to each client to reflect the ways they want to track and assess the business. There are some common types of dashboard reports we have seen clients interested in, such as:

- Submission to quote conversions
- Upcoming and past renewals
- Producer performance by GWP, policies, losses, renewals, etc.
- Pricing strength (primarily where price negotiations exist, mainly larger policies)

### **Integrated Enterprise Spreadsheet Tool**

The underlying technology on which the VeraBridge Insurance Platform is built incorporates an integrated spreadsheet tool that has the look and feel of Excel, yet is connected directly to the client's database so that any view of the data reflects the most recent transactions. Insurers no longer will have to face the problem of "whose spreadsheet is right" or "dueling spreadsheets" at important meetings. This capability will be available at the end of Q1 2010.

### **Downloads to Excel**

Even with the integrated spreadsheet, we recognize the most popular method of reporting is the ability to "pull down" data to Excel. As such, the VeraBridge Insurance Platform has tools that enable Excel templates to be populated with data. These templates

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are built by the client, and can be formatted, have embedded calculations, and reference other spreadsheet files as needed.

### **Feeds to Third-Party Reporting Tools**

The VeraBridge Insurance Platform is able to provide data files to third-party analytical tools such as Cognos or Business Objects. Clients can also export data to their own reporting database, for example, SQL. This benefits clients that have invested time, money, and training into these external reporting tools.

## **Technology, Security and Support**

### **Technology**

VeraBridge applications are built on a powerful and flexible technology foundation that brings together transaction processing and analysis and modeling of large, complex data sets. VeraBridge also provides its clients with a business-user friendly application development and delivery platform:

- Visual, integrated, end-user driven development environment for user interface, business processes, and transactional systems
- Declarative programming language for non-IT staff
- Database that combines the best of relational and analytical databases
- Spreadsheet that is infinitely scalable and collaborative
- Statistical, data mining, and optimization system
- Visualization, analysis, and reporting system

### **Security & Compliance**

The VeraBridge Insurance Platform has undergone rigorous scrutiny by third-party auditors and IT security specialists:

- Legal review by one of the leading IT and insurance compliance law firms in the US
- IT security and intrusion testing by Lightwave Security
- IT compliance audit by PricewaterhouseCoopers
- Complete production "shadows" and complete backups at whatever frequency the client desires.

### **Auditability**

Every transaction creates a detail audit trail so that any process can be recreated for customer support, legal actions, or DOI audits.

## User Access Control

Beyond the industry-accepted use of user IDs and passwords, the VeraBridge Insurance Platform has all the flexibility needed to define user types that have different roles and access rights. These are not pre-defined, but set up by the client during implementation. Once set up, new users and changes in access rights can be controlled by a client administrator.

## Support

VeraBridge provides clients with a 24-hour support desk, and with online logging of issues and questions.

## Compelling subscription and cloud deployment model

### Software as a Service (SaaS)

The VeraBridge Insurance Platform is delivered via a simple monthly subscription model. This model aligns our incentives with our clients, since they invest in line with the benefits they receive, and for as long as we deliver value to them. There are no upfront license

fees, and the VeraBridge monthly subscription fee is tied to the client's premium and policy volume.

## Cloud Deployment

VeraBridge clients benefit from the infinite scalability and high performance of our cloud-based deployment model:

- No investment in hardware, third party software, operating infrastructure or ongoing internal IT support costs
- Lower infrastructure costs; pay only for capacity used
- Scalable disc storage and CPU capacity

## Professional Services

VeraBridge has a range of consulting skills that are brought to bear to support a client's implementation and configuration of the platform to meet their needs. We work hand-in-hand to scope the work and make sure we bring sufficient resources and skills to achieve success.

## About VeraBridge

VeraBridge combines advanced technology and consulting to deliver analytical solutions for insurance companies like yours; enabling you to better understand your business and the dynamics of customer and producer behavior, and supporting decisions that lead to more profit and more volume without compromising your risk objectives.

Our technology solutions take advantage of the latest application and web technologies to deliver sophisticated business functionality in less time, at lower cost, and with less risk than traditional software. Our consultants, with deep expertise in predictive modeling and econometric analysis, work with your analytical staff to make the most of the technology and uncover insights that provide a basis for better analysis and decisions.

VeraBridge is headquartered in Atlanta, with offices in Dallas and London.



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