Q²

A newsletter of developments at QuasarSystems

This is our first issue of Q². We'd like to use this forum to inform you of changes and enhancements we've made to our systems. We have been working hard to improve the speed, processing and feel of *R², The Reinsurance Resolution.* Your suggestions have been great. Keep those suggestions coming!

R² Enhancements

ReEntry (Reunderwriting):

ReEntry can trigger plan code changes, changes in Allowance rates and/or premium rates. The ReEntry fields are found in the Plan Header (PH) and Reinsurance Treaty (TY) files.

Stamp Duty:

Companies can now code stamp duty rates with either a single rate or code a file to have rates by residence, just like the existing premium tax file. This field is found in the Reinsurance Treaty (TY) file.

Currency:

Currency is now a criteria for treaty selection. A blank currency code accepts all currencies. A currency coded in the criteria field on the treaty key will be pulled for only that particular currency.

Premium Calculation Tracking:

The *R²* Transaction Database now indicates how premiums were calculated. Users can now determine if the premiums came from a trailer, the Plan Header, the Reinsurance Treaty, or overridden by the individual policy record.

Reinsurance Trailers:

Trailers may now be coded to specify ceded amounts to as many reinsurers and treaties as necessary on individual policies. Information is held in a file named *A*NRE01IN.RNS which is found in the company area.

Accounting Summaries:

We have been asked if we could separate the accounting into subreports. We now offer a supplementary program which can separate (or combine) accounting information by Auto/Fac, Residence, Reinsurer, Treaty, Currency, Life/Disability and/or YRT/Coinsurance.

Help Screens:

Help screens have been updated and added to many more areas. More on help screens in our next issue.

Multiple Life Policy Processing

The Reinsurance Resolution has the most flexible and complete Multiple Life processing capabilities in the industry. With this structure, we believe that you can process **any** combination of Insureds and Coverages by means of coding Input Extract Records with **no special program modifications**.

For example, First-To-Die insurance usually requires that each insured pay a premium based on their own class and age. This requires only one Extract record for each insured and a Plan Code that points to the correct premium rates, treaties and allowances.

Second-To-Die can be handled in several ways. Some companies use a Joint Equivalent Age and pay a "Single Life" rate based on that age. For this we require three records, a Joint Age billing record and two individual non-billing records, for reporting information on each insured.

Last-To-Die (for more than two insureds) is handled in a similar manner. In fact, there is **no** implicit **limit** in the system on the number of insureds that may be included under a single coverage.

Some Last-To-Die products are designed to charge a premium on each insured less an adjustment for the Joint status. This is handled by making all Insured records "billing" records, and using a special Plan Code for the Joint record. Each insured then uses normal premiums and allowances, and the Joint record uses special premiums and allowances to make the appropriate adjustments.

We have only touched on the more common methods of handling multiple lives. If you have a product or reinsurance treaty that doesn't seem to fit this structure, please contact us to discuss it. We are confident that even your most complex situation can be coded in our system. The benefit to our Clients is that once the Input Extract is properly created, there is no Manual coding required to handle even the most complex multiple life products. This means improved accuracy and reduced administrative expenses for our Ceding Company Clients. In addition, the accuracy, consistency and timeliness of your reporting will result in improved relationships with your reinsurers, which means a stronger long term relationship which will benefit both parties.
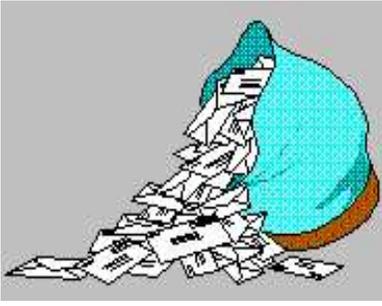
Questions and Answers

Q: What are trailers? What are they used for? When do I need them?

A: Trailers are additional data files held for specific policies. Trailers are used for policies that do not follow the "norm." They can be used for varying Face Amounts, Amount At Risk, Premiums, Allowances, Extra Premiums, and/or Reinsurance Ceded Amounts. The values in the trailer(s) override the values assigned by the plan headers and/or the treaties. Trailers may be coded when you want to override normal processing.

Q: Does my Extract have to exactly follow the layout outlined in the Input Documentation?

A: No. Your extract layout can vary. Some fields are required, others are optional. The extract does need to be an ASCII file and needs all **necessary** information outlined in the Input Documentation.

Q. What is HP-File Viewer and how do I use it?

A: The HP-File Viewer gives the user the option of looking at HP LaserJet - ready files before printing them. HP-File Viewer is a sophisticated program giving you the ability to **Z**oom in on portions of a page, **G**o to a page, **P**rint selected pages, or **S**earch for Data Strings within a document. You may now view the output file on your screen before you print it. In addition to seeing the report layout, you can search the report for specific policies by Policy Number or Insured Name. We believe this new feature will greatly benefit our clients by making it easier to review reports and make corrections without having to print unnecessary reports.

This feature is in addition to the existing menu option to "View Transaction DataBase". The Database option provides access to all monthly transactions in the order in which they were processed. Search and Reporting capabilities are also available from this Database. HP-File Viewer adds the ability to see the **actual** formatted report before printing. The monthly Transaction Databases are retained so that you can look at prior monthly transactions in case questions arise about a specific policy or insured.

Barbados Mutual Life Assurance Society

Business Men's Assurance Company

Allmerica Financial / State Mutual Life Assurance Company

Thank you for your continued support and suggestions. We appreciate and welcome all your comments and questions. Please let us know if there are any topics you would like to see examined in greater detail.

Through Q², we intend to inform you of new available options. It is not the goal of this newsletter to give a comprehensive analysis of each option. For additional information on any option, you should consult the documentation manual. If you are interested in more detail, please contact us. We would be delighted to answer any questions you might have.

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