Q²

A newsletter of developments at QuasarSystems

We'd like to use this forum to inform you of changes and enhancements we've made to our systems. We continue to improve the processing and feel of *R²*, *The Reinsurance Resolution.*

Instructions for Schedule S

You can run Schedule S through the R² Menus by choosing *R² Menu Reinsurance Processing   Run Schedule S*. This menu option will produce 12 files that will be backed up in SchS*mmyy*.zip, located in the Out directory.

The output files may be viewed through the R² system; they are in printer ready format. They are named QSRE36 and QSRE36W, and may have the following extensions: **SS**, **LOC**, **PLN**, **RNS**, and **ERS**. The files with the **W** signify they are the Work copies, which contain more detailed information. Files with the extension **SS** contain a short summary of the Schedule S output and are usually used for the annual statement. Files ending in **LOC** are subtotaled by location, **PLN**

by plan, **RNS** by reinsurer, and **ERS** contains processing errors.

The files *QSRE36.DET* and *QSRE36.XTR* are text files that can be viewed through a text editor or imported into a common database program such as Excel, or Access. The **XTR** file could be used as input into a financial statement program. The **DET** file is a detail report; if there are errors to be investigated, this file will be useful.

The additional detailed tax reserve reports, named SSVL*mmyy*.trv (printer-ready report) and SSVLTRV.QSI (SOA File) are available in this zip file. Since this option has been recently updated, please contact your liaison to verify that you have all the necessary files.

User Group 2002

The 2002 User Group Meeting is set to be held from Wednesday, 14-Aug, through Friday, 16-Aug-2002. The meeting will once again be

held at the Hilton Milwaukee City Center. Information concerning the logistics of the event will be sent out in early March. If you would like to receive information, please send an email to Usergroup@qsi-r2.com or check our website at www.qsi-r2.com. Information will be posted as it becomes available.

Welcome Aboard New R² Clients

Scottish Re (U.S.) Inc.

Happy Holidays from all of us at Quasar*Systems to you and yours. May your holiday season be filled with many fond remembrances and joy.

Financial Adjustments

Instructions for creating a Financial Adjustment:

1) If the financial adjustment is only one of several transactions taking place in a billing period, you should create a separate record in the extract for the financial adjustment. (To create a second line, increment the *sort sequence* by 1 and save the record with a new key.)

2) Enter the two-character code of the reinsurer being billed/refunded in the *Reinsurer* field on the Billing Extract.

3) Set the *Status Code* to **88** if the reinsurer is active. Set it to **89** if the reinsurer is not active.

4) Set the *Change Date* to the anniversary date of the duration to be billed/refunded.

5) Enter the amount to be billed in the *Premium Override* Field on the Billing Extract. If you are refunding premium to the reinsurer, enter this as a negative number.

6) If more than one reinsurer needs to be billed/refunded there are two ways it could be done.

   A) The *premium override* amount can be the total due for all reinsurers, and the *Reinsurer* field left blank, ONLY IF the refund is in the same proportion as the allocation of the reinsurers.

   B) If the amount to each reinsurer is not in the same proportion as the allocation, then a separate extract line needs to   be created for each reinsurer for their respective amounts.

Example:

For policy QSI11345, a previous billing system paid reinsurer **R1** a premium of **1,234.50**. The premium should have been 1,250.00.

The policy is supposed to renew this month. In order to ensure that the policy renews, a second record was created in the billing extract for the financial adjustment. The status was set to **88** on the new sequence. The *reinsurer* was set to **R1** and the *premium override* field was set to **15.50**.

On the bills, this policy renewed as well as displayed a Financial Adjustment.

Below are excerpts from the Changes and Renewal sections of the August 2001 bill for reinsurer R1 demonstrating a financial adjustment and renewal, respectively.

Policy Detail Report - Policy Changes
```
Policy NO ***|****NAME****|**Plan**|***DOI***|***DOB***|SEX|S/N|Age|Drn|A/F|Rating|*Flat*|Yrs|ST|Opt**
Cov|DirectFace|ReinsFace|ReinsAAR|ChgAmt|*ChgDt*|TR|BASEPREM|SSTDPREM|BaseAllow|SSTDAllow|Other|**Net***REPTD**

QSI11345      JADE,M      ART    19-Aug-01 25-Feb-38 M   N   60  4    A   100   0.00     0 AK 0 (Status - 88)
L-NR 1,550,000  525,000   525,000    0 19-Aug-01 FA  15.50    0.00     0.00        0.00     0.00 15.50 19-Aug-02
```

Policy Detail Report - Renewal
```
Policy NO ***|****NAME****|**Plan**|***DOI***|***DOB***|SEX|S/N|Age|Drn|A/F|Rating|*Flat*|Yrs|ST|Opt**
Cov|DirectFace|ReinsFace|ReinsAAR|ChgAmt|*ChgDt*|TR|BASEPREM|SSTDPREM|BaseAllow|SSTDAllow|Other|**Net***REPTD**

QSI11345      JADE,M      ART    19-Aug-98 25-Feb-38 M   N   60  4    A   100   0.00     0 AK 0 0 (Inforce)
L-NR 1,550,000  525,000   525,000    0           RL 3,581.69 0.00     891.19    0.00     0.00 2,690.50 19-Aug-02
```

Questions and Answers

Q: How can I correct a termination date for a policy and have it adjust the premium?

A: First you will need to reinstate the policy, then re-terminate the policy. This will require two extract lines: the reinstatement line should have a *sort sequence* of **0** (zero), and the re-termination line should have a sort sequence of **1**. The *change date* of the reinstatement should be the termination date used originally (even though it was incorrect). (The original termination date can be found as the *paid-to-date* on the RE (Reinsurance file) or in the policy summary RE data). The *change date* of the new termination (re-termination) should be the actual, correct termination date.

Q: My claims department wants to know the latest information on a policy. What is the easiest and best way to provide it for them?

A: Use the Policy Summary Screen (*R² Menu   Inforce Files   Policy Summary View Policy Summary*). Then use the menu option Records

and choose either *Search by Last Name* or *Search by Policy Number.* This screen will display a summary of the inforce file information on the insured and on the reinsurance, including all coverages, all reinsurers, their *ceded face* and *AAR* amounts, the reinsurance *paid-to-date*, *ratings*, *cession numbers*, *policy date*, *birthdate*, *sex*, *class,* and *smoker codes*, and the *report date* on which the policy last had a transaction. Depending upon whether or not your computer is directly linked to a printer, you have one of two possible ways to print the information. One option is to use the print screen button on your keyboard. If that doesn't send the print screen graphic to the printer, try the following: when you choose the menu option to print a text file, **Qsre20.txt** will be created in the Out directory. You can then use the *R² Menu   Output Files   Print HP Ready Files* to print the **Qsre20.txt** file.

Q: How would I add an additional allowance onto the already calculated regular allowance?

A: You could add a miscellaneous allowance trailer for the additional amount. The **Miscellaneous Allowance Trailer** may be accessible by a check-box from the billing extract, or you could create your own by creating a **Type N** trailer in the Val file. After

transaction processing, the Miscellaneous Allowance will display in the *Miscellaneous* section on the transaction database and in the *Other* section on the billing reports.

Q: In order to free up room on the network, I placed several years worth of reports onto a CD. However, when I try to view any of the reports with R², I get an Access Denied error. I can open the reports with a text editor, so I know they are okay. Why does this happen?

A: When data is burned to a CD, it automatically becomes a read-only file. In order for R² to read the file, the read-only property must be taken off. Copy or unzip the file from the CD to your hard drive. In **My Computer** or **Windows Explorer**, right click on the file and choose Properties. At the bottom of the screen, in the Attributes section, is a box that says Read-only. Make sure that there is no check mark in the box and click Okay. You will now be able to view the file with R². When you are finished viewing the report, you can just delete it from your hard drive or network, because the original is still on the CD.

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.

For additional information on any option, you should first consult your documentation manual. We would be delighted to answer any questions you might have. If you would like a back issue of Q² please send an email to us at Q2@qsi-r2.com. The main topics of past issues were:

Current SOA file manager version is 01l.

QUASAR*SYSTEMS