SFS

A Best Practice in Insurance Industry:
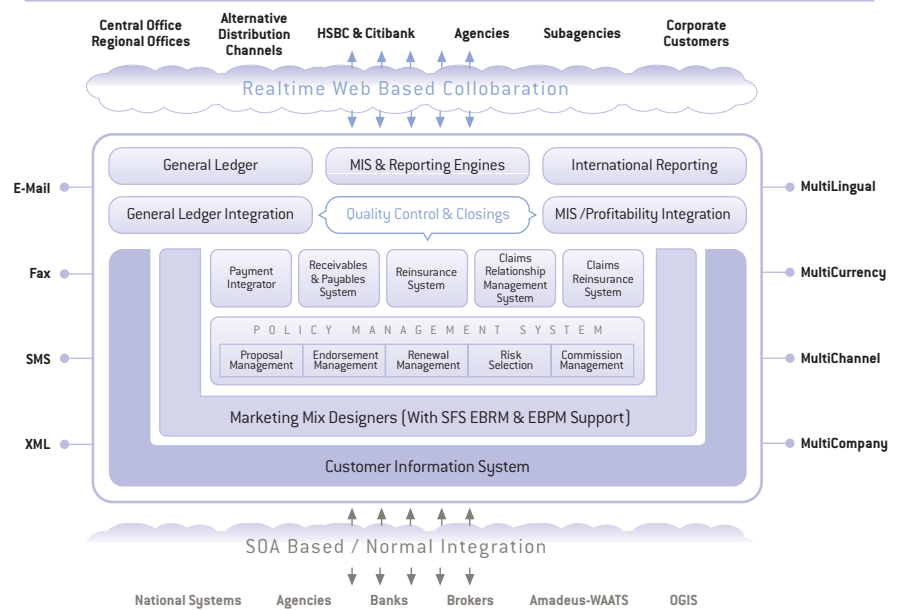# AIG Turkey with SFS Integrated Insurance System Since 1995

Fersun İmre
IT Group Manager

Internet & SOA Based Complete NonLife Insurance System

American International Group Inc. (AIG), world leader in insurance and financial services is the leading international insurance organization, with operations in more than 130 countries and jurisdictions. AIG is the third biggest company in the world according to the Forbes listing.

AIG Turkey has been in the insurance market for about 25 years. With its headquarters in Istanbul, 7 district offices and hundreds of agencies, the company is the pioneer insurance company for products such as personal accident and legal protection.

SOA & Web Based Architecture Of AIG Insurance Turkey- 2008
"Realtime Channels, Customers & Service Providers"

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Covers All Lines of Business

AIG System covers all lines of business since 1995. Real time distributional channels can issue proposals and policies with risk control for all lines of business. Local lines and major, minor international lines can be tracked with A, B and C accounts.

New Product Development & Change Management without Programming

Products for bank channels and customer segments can be created by AIG IT team without any necessary programming support from SFS. Any kind of insurance product can be defined by means of Winsure Designer. Different pricing strategies, payment strategies, servicing methods can be applied by Winsure covering all lines of businesses and channels. Customer based reinsurance, renewal , and claim rules can be defined not only in product level but also for group of products. Winsure Designer is capable of defining any change or new strategy to the system. By means of Winsure Designer, costs for change management declines and the company achieves the advantage of applying its strategies rapidly, covering all channels.

Covers All Channels

All agencies and banks like HSBC and Citibank can work with real time web based systems. While working real time, some parts of Citibank customer data is encrypted with international security standards. Channel software system can be used by new channels and nonprofessional users, thus the system is user friendly. It has production modules, as well as presales, claims and collection modules.

Sophisticated Bank Insurance

Citibank and HSBC have been using AIG real time web based systems for several years. All sales & renewal reports for the bank and branches can be produced. Endorsements and renewals can be issued. Claims can be tracked. For bundled insurance policies with banking products, insurance policy information can be taken from the banks with SOA engines.

Web Based Channels

The system requires no installation in channels. New channels can access business very quickly by their Internet Explorer. Information about the proposals is gathered with validations. The system checks all the intelligent rules for each proposal like an expert system. Channels can print policies, proposals and endorsements. Customer service is remarkably fast and no policy posting fees is required for the central office. The costs of central office declines profoundly. .

Real time Online Customers

Following the issue of marine policies at the AIG offices for corporate customers, the customers can login to the system via Internet Explorer and then issue their certificates under full control and security. Customers can access all their proposals, policies and claims information and also can print a copy of their policy.

Integrated Risk Selection Engine

Real time channels can issue proposals and they can be accepted as policies automatically after all the risk selection rules of the company are checked. The system never allows drawing up a policy contrary to the rules. When the proposal should be authorized by managers, the Engine lists all the reasons on the screen and sends e-mail to the related manager.

When the proposal is accepted or accepted after some updates or refused, the channel is also notified. If the proposal is accepted, the policy can be printed out at the channel.

Any kind of rules including the information about the customer, insured, risk subject, payment plan, given coverage, pricing and etc. can be defined by a specific date. Different risk selection rules can be defined for different products, channels, users and user groups.

Integrated Commission Management

Different Channels are managed with different commission strategies. Real time channels can see their commissions immediately for each proposal and policy. Special commissions for a channel, customer or policy can be defined; moreover, sophisticated commission formulas can be defined and changed by Winsure Designer. Commission reports can be taken for all lines of business by all channels.

Customer Based BackOffice & Front Office

Under single customer view, one can see all the information about a customer or the group it belongs to. Proposals, policies, claims, payments, reinsurance distribution of a policy can be tracked under a customer.   Risk selection rules, pricing rules, renewal and claims rules can be defined as well.

Automatic Renewal Management

Intelligent renewal rules can be defined without programming. The system prevents a renewal to be issued if it finds high risk by checking the rules. Renewals for a policy or policies from all lines of business can be composed, accepted and printed. Channels can renew a policy on their own and they can get a renewal list for any product or all products.

SOA Based Corporate Process Integration

SFS System has SOA Based architecture. Policies are sent to selected agencies' systems by means of web services. For the bank insurance, insurance products bundled with the banking products are planned to be integrated to AIG system by these web services. Travel policies are electronically transferred to AIG system with Amadeus integration.

Integrated Claims Relationship Management

AIG has a complete claims process integrated with policy management and reinsurance management systems. Early 2008, Claims System is migrated to Claims Relationship Management System. AIG uses integrated workflow engine with SMS, email and fax capabilities. All controls and required interactions are completed immediately after the claims notifications. The workflows can be defined without programming. Preferred claims adjusters or auto repair shops can be assigned by the system automatically according to the defined rules. Policies and endorsements for the claim can be sent to the adjusters by fax or email while SMS can be sent to the adjuster, customer and agency to inform the adjuster assignment.

The system helps AIG to reduce claim costs and to efficiently reallocate human resources. The system helps AIG to reduce head counts and claim costs. Claim files and payments are in full control, thus the acceptance limits and all privileges are followed by the system. Service providers can work real time and include in the claims process.

Integrated Reinsurance & Claim Reinsurance Management

Reinsurance treaties and company rules can be defined to the system without programming. No proposal is allowed to be turned to a policy without checking the reinsurance rules at proposal stage. The system calculates all the reinsurance distribution including reinsurer commission and premiums automatically. If the treaty allows, retention ratios can be differentiated for various cases. The system allows accomplishing facultative reinsurance. All reinsurance reports and claims reinsurance can be generated by the system.

Quality Controlled Closings

AIG schedules December instead of January for the start of a new accounting period.

SFS

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All data from production, claims, reinsurance and AR/AP are stamped by Quality Controller Engine in SFS Systems before closing the month, providing a very important accuracy control. While closing the months, GL vouchers, international reports and MIS/profitability integrations are all realized. AIG system is obliged both local and global requirements.

Automatic GL Vouchers

All general ledger vouchers are created by the system automatically after the quality control stamps. As it is an enterprise system with integrated modules, all vouchers are created customized to AIG needs from production, claims, reinsurance, claim reinsurance and the AR/AP modules.

AIG International Reports

About all international reports like MOR, SI andCL 106 are created automatically by SFS system for AIG Turkey. The system supports both local classifications and the international major/minor lines. All reports are allowed to be created in different languages.

Executive Information & Profitability System

MOLAP designed cube in SFS System provides an enterprise data warehouse for executive reporting summaries. Profitability calculations including reinsurance with other executive information system calculations are made and put into the cube for ready summary reports. By SFS Monitoring systems, one can see all channel and product profitability and analyze the company with sorting and graphic capabilities.

Integrated SMS, Email, Fax Management

Reports, policies, proposals can be sent by fax or email. SMS, email and fax can be used integrated with all the process defined in SFS Workflow Management. International Security
SFS System supports all security standards. Working with SSL in AIG Turkey, the system supports password histories, length controls, login controls, logs and many other security requirements. While working real time, the admin user can limit the users or user groups including channels with different privileges for insurance products, operations, reports, menus etc.

Differentiating Technology

The SFS Insurance Management System is a thin client system, requiring no installation in agency, customer or service provider hardware. The system contains web based, success proven SFS technology. With the visual but fast (using DirectX Game Technology) interface, SFS offers a user friendly structure for new channels and users. Containing latest Oracle versions, the system presents a multilingual and multi-channel communication platform. Various report formats like Excel and PDF can be shared via mail, SMS and fax opportunities. With SOA Based architecture, the system can be integrated with any other third party.