

## KEAL TECHNOLOGY

# Brokers should ask the right questions

Technologies evolving very quickly in the independent broker distribution channel are Single Entry Multiple Company Interface (SEMCI) and, more recently, electronic document (e-doc) download. Here are some of the many questions brokers should be asking themselves when it comes to the opportunities and challenges these tools can bring to a broker's environment.



By Patrick Durepos

## What are e-docs?

The standard CSIONet batch download has been a tool used by the industry since 1998 and utilized by the majority of Canadian brokers processing hundreds of thousands of transactions daily. The e-doc initiative is a piggyback process to EDI as we know it today. It involves sending electronic documents down the same CSIONet pipe to the broker, either with the policy data using AL3, or afterwards with a linked document using XML. These e-docs are attached to the appropriate policy/client in the broker management system (BMS). The key to making this work effectively is to fully automate the process.

## Why is SEMCI important?

Brokers need to have access to copies of all insurer/insured documents for efficient support and e&o reasons. The argument that a document should only be located at its original place and accessible when needed may have been considered the most economical and, in theory, the most logical approach in the past. This is no longer the case. Over the last few decades various efforts led by several different parties were analyzed and attempted on SEMCI. Recently, the Insurance Brokers Association of Canada and its provincial associations adopted

guiding principles which led to The Centre for Study of Insurance Operations (CSIO) establishing and creating an XML standard for SEMCI transactions. Intact and RSA have already announced the delivery of this enhancement for their brokers. Many other insurers will follow this year. As a BMS vendor, Keal is committed to doing its part to ensure brokers' technology keeps up with these new processes. Considering the interest Keal has seen, and considering the client projects being requested, it's clear this process will become the standard for broker access to all documents prepared for insureds by insurers. In a recent survey conducted with Keal brokers, more than 90 per cent indicated they will download or make use of this functionality and over 80 per cent will download all available insurer documents. The key to making this work effectively is to organize your processes so there is as little disk space implication as possible – a point I will return to shortly.

## How does it work?

The process for Keal brokers is automated so that it runs without human intervention and is customized to have suspenses created for review by CSRs, TSRs or others. The document is attached to the policy/client via the creation of an activity. The document is automatically stored in the BMS or document management system (DMS) for disk space and efficiency reasons, all the while maintaining a link to the policy/client record. Brokers can elect to download all available insurer documents or only selected ones based on insurer options.

## Why is disk space important?

Since insurers significantly vary in how they use their technology, it is still too early at this point to agree on a formula that can accurately define the requirements of disk space and its impact on brokers' workflows. For example, in a broker pilot project we saw documents as small as 300KB but as high as 1.2MB. When downloading 1,700 documents, the

total space requirement was 2.3GB. While it took 2.25 hours to download without any impact to brokers, it only took 10 minutes to attach the documents in the BMS. It's clear this enhancement will have an enormous impact on disk space requirements. The good news is that disk space costs are decreasing constantly; however, the not-so-good news is that the size of data storage is increasing exponentially. This presents many challenges: the larger the data, the greater the disk space requirement; more time is required to do backups, hence impeding system availability; and storing documents in the BMS database will, over time, affect performance of the BMS. Our recommendation is to use an integrated DMS that will compress the files and provide simultaneous backup procedures. A stand-alone DMS will require brokers' processors to touch all documents. Imagine the potential for errors and the time lost!

## Where does this leave the broker?

Keal is excited to see this functionality evolve at the speed it has. IBAC and its provincial associations are to be commended for leading the initiative and CSIO for its support and standards development. It bears repeating that this is a huge step towards efficient broker connectivity. It is now up to brokers to start proactively planning so they are ready for the impact this will have on their technological environments. Never has it been a more opportune time to embark on proper document process, to go paperless and use an integrated DMS. **iw**

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