

CUSTOMER SUCCESS

case study



RLI Insurance Scraps Failed System Implementation in Favor of Duck Creek's Web Platform to Deliver Online Policy Processing

THE BUSINESS CHALLENGE

When Peoria, IL-based RLI Insurance (\$1.39 billion in assets) purchased a commercial lines rating system several years ago, it thought the result would be a full life-cycle commercial policy processing system. But one year into the project, the carrier was forced to scrap the deal when it decided the vendor was not able to handle the job.

Immediately after the project's abandonment in mid-2001, RLI began scouting for a Web-based rating solution at the annual IASA convention.



"RLI was looking for a rating solution built from the ground up for the Web world that could be integrated with the rest of our infrastructure. I emphasize 'from the ground up' because there are a lot of 'lipstick-on-a-pig' kind of solutions out there. They have been tweaked and have some capabilities, but are not suited to truly utilize Web functionality," said **Piyush Singh**, Vice President of IT, RLI.

THE SOLUTION

RLI needed to find a rating solution that could be interfaced with its existing Wheatley Insurance Solutions' WINS statistical quoting and policy management system, which resides on the back end of the carrier's systems. According to Singh, RLI also planned to internally develop a front-end quote and policy management system that would interface with the rating solution.



"After providing RLI with a half-hour demonstration at the trade show, Duck Creek was invited to visit the carrier's headquarters so that RLI could more closely review its EXAMPLE Platform® Product Suite. One of the Suite's components is its "black box" rating solution, EXAMPLE Author®, which resides on the product's other component, EXAMPLE Server®. According to Singh, Duck Creek was given RLI's umbrella application rating algorithm and about four hours to show what it could do. Obviously, it was not all prettied up and all of the rules weren't in place, but it demonstrated the flexibility that the tool provides," said **Piyush Singh**.

SOLUTION CONTINUED

In October 2001, after awarding Duck Creek a contract for use of its EXAMPLE Platform Product Suite with commercial lines, including multi-peril coverages, general liability and DIC (difference in conditions), the carrier began the project. During the initial phase of implementation, RLI's IT team, led by Singh, began developing the front-end quote and policy management system internally without outside help. This involved an analysis phase regarding all of the functionality required during agent interactions.

After consulting with RLI's eventual user community, it was decided that such a system would need to enable the storage and management of data with the ability to present information back to the agent. Also at this time, Duck Creek used SeeBeyond's (Monrovia, CA) EAI toolset to connect the EXAMPLE Platform Product Suite to the back-end WINS system. The next step of implementation involved the definition and addition of rules for new issues (quotes and policies for new policyholders). After rules were defined and added to the EXAMPLE Platform Product Suite, a month-long monitoring phase took place.



“Monitoring involved reviewing the policy data that was left in a pending state for accuracy, before a policy was posted. It worked like a charm and we started attacking the rest of the process,” said **Piyush Singh**.

The determination of business rules for cancellations, reinstatements, endorsements and renewals was the next phase of implementation to take place. Reinstatements, cancellations and endorsements were implemented in mid-September 2002 and renewals in November. In late autumn 2002, RLI had a full policy processing system interfacing to its back-end.

THE RESULTS

Currently, four large agencies are able to quote business and have policies electronically generated and sent back to them.



“There is no human interaction required from our back-end, which essentially means agents can use the system any time of day. Also useful are the management capabilities that are enabled with the system. Our people have full oversight and reporting capabilities on the line-of-business profile, as well as individual broker's business profile,” said **Piyush Singh**.