**App-less Business Case**

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### **Executive Summary:**

The ultimate goal is to eliminate the proliferation of paperwork used for cash new business annuity transactions. The paperwork varies from carrier to carrier and by state, making it difficult for financial professionals to be confident they have all the necessary documents for a good order application. While order entry has solved many of these issues, it has also facilitated the addition of forms, with paperwork packages up to 30 pages.

With the introduction of paperless 1035 exchanges, we aim to expand the digital-first mindset to cash new business transactions by sending carriers the required information to issue a contract. This can potentially be accomplished in two phases:

1. **Phase 1:** Standardize annuity transactions so that only the state-filed application and state-required replacement paperwork are presented, with no additional forms for cash purchases.
2. **Phase 2:** Transition to a fully digital process, sending only the information necessary to issue a contract.

By improving the experience, we will expand the annuity market to financial professionals who are currently unwilling to spend the time required for the process. These professionals often struggle to explain to clients why the annuity is not yet showing in their brokerage account or included on their statement after the funds left days ago for the annuity purchase. If we make the process better, faster and more similar to other financial products they offer, we will see increased sales.

### **Problem:**

### The current annuity new business process is challenging for financial professionals to navigate. While order entry has helped reduce Not In Good Order (NIGO) submissions, it has not eliminated them, resulting in financial professional frustration. There is no standard for the required data, and additional In Good Order (IGO) reviews at the carrier result in NIGOs that must be resolved after submission. This delays the issuance of the contract from what should be same day (for cash business) to potentially a week later if the financial professional and/or client are not immediately available to resolve issues. Another issue that is sometimes lost in translation is potential costly financial corrections if there are additional NIGOs which delay issuance of the contract or loss of a rate.

### As most carriers can attest, the top NIGOs consistently are:

### Form not received

### Replacement form not included

### Form not signed in the appropriate location

### All three of these issues can be remedied in a digital-first world where all necessary information is sent electronically to the carrier, and forms are eliminated. This will drastically improve the client and financial professional experience and more closely align us with other financial products we compete with in our firms and in the industry.

### **Objectives and Key Results**

* **Objective:** Eliminate NIGOs related to cash new business transactions**.**  
  **Key Result:** Carrier NIGO reports related to paperwork are reduced/eliminated

### **Use Cases**

**Use Case 1**: Remove all new business paperwork except carrier application and state mandated replacement forms.

**Use Case 2**: Eliminate multiple back and forth communications to the financial professional, broker/dealer back office and carrier processing teams.

**User Story 1**: As an financial professional, I want to have confidence that the paperwork presented on order entry is all that is needed to purchase the annuity for my client.

**User Story 2**: As an financial professional, I want a similar experience regardless of the carrier I chose to offer to my client.

**User Story 3**: As a new business processor (carrier or b/d back office), I want to be able to quickly and efficiently process annuity transactions for our clients.

**User Story 4:** As a carrier, reduction of forms should help with the adoption of straight-through processing at my company**.**

### **Journey Maps (Integrations and Required Data)**

**Journey Maps**: Include visual maps that identify all key touchpoints where customers, financial professionals, and carriers interact with the system.

**Integration Points**:

* Broker/dealer, vendors supporting various

**Required Data**:

* Data necessary to issue a new cash purchase annuity contract.

**Solution**:

Electronically submitting the necessary information to issue a cash annuity transaction. Key features and objectives include:

* **Features:** standard question set for demographic data much of which can be pre-populated from broker/dealer back-office systems.
* **Objectives:**  Eliminate confusion regarding required information when the financial professional begins working with a new carrier partner to submit business.
* **Features:** Transaction specific questions in a standardized format.
* **Objectives:** Reduce misinterpretation by financial professional or their assistant because of how a question is worded, which currently varies from platform to platform or carrier to carrier.

### **Timeline for Implementation**

**Phase 1: Planning & Kickoff (TBD)**

* Kickoff Session: Align on goals, resources, and responsibilities.
* Business Case Development: Finalize the business case for stakeholder approval.
* Workstream Mapping: Define key tasks and related to-dos.

**Phase 2: Standard Development (TBD)**

* Working Group: Aligns on business requirements and data elements.
* Technical Committee: Create the technical spec in Github repository.
* Working Group: Business feasibility testing.
* Technical Committee: Technical feasibility testing.

**Phase 3: Governance: (TBD)**

* Governance Committee: Reviews the standard.
* Working Group & Technical Writers: Address any proposed revisions or updates.
* Governance Committee: Deploys the standard to Github.

**Phase 4: MVP Development & Integration (TBD)**

* Platform Development: Build the minimum viable product (MVP), focusing on beneficiary data updates.
* Carrier Integration: Work with at least three carriers for integration.
* User Testing: Conduct testing with a limited user base for feedback and adjustments.

**Phase 5: Testing & Launch (TBD)**

* Platform Testing: Perform full-scale testing, including functional and user acceptance testing.
* Platform Launch: Go live with the MVP and monitor initial performance.

**Ongoing Support & Iteration** **(TBD)**

* Continuous Monitoring: Address any issues or bugs post-launch.
* Iterative Improvements: Plan for additional features or scaling as needed.
* Track Implementation of standards on IRI’s Digital First Dashboard.
* Track Measures of Success to report on IRI’s Digital First Dashboard.

**Working Group Firms**:

American Equity, Athene, Edward Jones, Raymond James

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