

# Lesson 12 Processing a Delinquency

## 12.1 Prerequisites

For this exercise, use:

- In a supported browser go to the BillingCenter URL
  - Username: **studentXX**
  - Password: **gw**

## 12.2 Exercise 1: Explore a delinquency plan



### Activity

In this exercise, you explore the **DP02** delinquency plan.

1. **Open the DP02 delinquency plan (Administration tab → Business Settings → Delinquency Plans).**
  - a) How much is the late fee?
  - b) How long is the grace period? What does this mean?
  - c) What types of delinquency does DP02 handle?
2. **Look at the Not Taken reason.**
  - a) When will delinquency be initiated?
  - b) What event or events will be executed?
3. **Look at the Past Due reason**
  - a) When will the **Collections** event be executed?

## 12.3 Solution



### Solution

1. **Open the DP02 delinquency plan (Administration tab → Business Settings → Delinquency Plans).**

- a) How much is the late fee? \$50
- b) How long is the grace period? 0 days What does this mean? *Delinquency processing starts immediately after the delinquency is initiated (there is no waiting period).*
- c) What types of delinquency does DP02 handle? *Past Due and Not Taken*

**2. Look at the Not Taken reason.**

- a) When will delinquency be initiated? *This will be initiated on the delinquency inception date.*
- b) What event or events will be executed? *Notice of Intent to Cancel is the only event.*

**3. Look at the Past Due reason**

- a) When will the Collections event be executed? *This will be executed 45 days after the delinquency inception date.*

## 12.4 Exercise 2: Test delinquency processing



### Activity

In this exercise, you test a delinquency processing scenario where a payment is received for a delinquent policy before the policy is cancelled by the PAS.

**1. Add a Commercial Property policy to the James, Baldwin, and Riveria LLC XX account:**

- Policy #: CP01-JBALDWIN-XX
- Product: Commercial Property
- Payment Plan: **PP02**
- Premium: **\$4400**
- Tax: **\$800**

**2. WAIT: The Instructor will make the first invoice billed.**

**3. Pay the first invoice in full. Make sure the payment is applied to the first invoice.**

**4. WAIT: The Instructor will make the second invoice billed and due.**

**5. Refresh the browser:**

- a) Has a delinquency occurred? How do you know?
- b) Has a late fee been charged?
- c) According to the **Delinquencies** screen for the account, what delinquency events have completed?
- d) When will the Dunning Letter 2 event occur?
- e) Indicate to the instructor that you are ready to continue (**12.2.5**)

6. **WAIT**: The Instructor will:

- a) Advance the clock to the target date of the **Dunning Letter 2** event.
- b) Run the **Workflow Writer** batch process.

7. **Has the Dunning Letter 2 event happened?**

8. **What do you think will happen when the past due amount is paid?**

9. **Pay the past due amount.**

- a) What is the status of the delinquency? Why did this happen?

## 12.5 Solution



### Solution

1. **Add a Commercial Property policy to the James, Baldwin, and Riveria LLC XX account:**

- Policy #: CP01-JBALDWIN-XX
- Product: Commercial Property
- Payment Plan: **PP02**
- Premium: **\$4400**
- Tax: **\$800**

2. **WAIT**: The Instructor will make the first invoice billed.

3. **Pay the first invoice in full. Make sure the payment is applied to the first invoice.**

4. **WAIT**: The Instructor will make the second invoice billed and due.

5. **Refresh the browser:**

- a) Has a delinquency occurred? How do you know? How do you know? *There is an alert on the Account Summary and Policy Summary screens. The info bars for the account and policy have a delinquency icon. Also, the Delinquencies screens for the account and policy show an open delinquency.*
- b) Has a late fee been charged? *Yes, a policy late fee of \$50 was charged on the third invoice.*
- c) According to the **Delinquencies** screen for the account, what delinquency events have completed? *Dunning Letter 1 and Late Fee*
- d) When will the Dunning Letter 2 event occur? *In 7 days*
- e) Indicate to the instructor that you are ready to continue (**12.2.5**)

6. **WAIT**: The Instructor will:

- a) Advance the clock to the target date of the **Dunning Letter 2** event.
- b) Run the **Workflow Writer** batch process.

7. **Has the Dunning Letter 2 event happened?** *Yes, it's marked Complete on the Delinquencies screen.*

8. **What do you think will happen when the past due amount is paid?** *When the past due invoice is paid, BillingCenter will automatically close the delinquency.*

9. **Pay the past due amount.**

10. **What is the status of the delinquency? Why did this happen?** *As expected, when the past due amount was paid, BillingCenter automatically closed the delinquency*