Lesson 2   Handling Policy Transactions After Issuance

2.1   Prerequisites

For this exercise you will use two supported browsers:

- In the first browser (**Student browser**) go to the BillingCenter URL
  - Username: studentXX
  - Password: gw
- In the second browser (**SU browser**) go to the BillingCenter URL
  - Username: su
  - Password: gw

- Unless otherwise stated, instruction refer to the **Student browser**

2.2   Exercise: Explore policy change, cancellation, reinstatement, and renewal

 Activity

In this exercise, you visit the **Default Return Premium Plan**. Then you make a change to a policy to observe the influence of the return premium plan. You will also use debug testing commands to cancel, reinstate, and renew a policy.

1. **Open the Default Return Premium Plan and answer the following questions:**
   d) According to the plan, when will the policy credits from a policy change charge be allocated?
   e) When BillingCenter is allocating policy credits, what criteria are used to determine which items are eligible to receive credit allocation?
   f) How are policy credits allocated for a cancellation?
   g) How are policy credits allocated for a policy change?
2. **Open the Victory Auto Body Works XX account.**
3. **Add a policy to the account with the following details:**
   - **Policy #: GL01-VICTORY-XX**
   - **Product: General Liability**
   - **Payment Plan: PP09**

- o **Charges: Premium for $5,980**
4. <u>**WAIT**</u>**: The instructor will advance the clock by 1 day.**
5. **There has been a reduction in premium for the GL01-VICTORY-**<u>**XX**</u>** policy.**
   a) Before creating a policy change billing request, consider how BillingCenter will handle the change. Which invoice items will be "paid" by the policy credits and which (if any) will not be paid?
6. **Go to the GL01-VICTORY-**<u>**XX**</u>** policy.**
   a) Create the policy change for -$200. (Be sure to enter a negative amount!)
7. **Go to the account Invoices screen.**
   a) **Was the policy change allocated the way you predicted?**
   b) **Why wasn't any credit applied to the down payment item?**
8. <u>**WAIT**</u>**: the instructor will make the first invoice billed.**
9. **Make a direct bill payment for the full amount of the first invoice.**
10. <u>**WAIT**</u>**: The instructor will advance the clock by a week.**
11. **The policyholder has decided to cancel the policy. Take the following steps:**
    a) In the <u>**SU browser**</u>, go to the **Policy Summary** for GL01-VICTORY-<u>**XX**</u>.
       – Notice the **Unbilled** amount. You will use the negative of this amount to cancel the policy.
    b) In the <u>**SU browser**</u> **QuickJump** box enter the debug command to cancel a policy with a negative charge equal to the unbilled amount.
    c) What is the policy's cancellation status?
    d) How many invoices do you expect to see on the **Invoices** screen?
       In the <u>**Student browser**</u> and go to the **Invoices** screen to confirm your answer.
    e) Why was the cancellation charge sliced into a down payment and installments?
    f) Go to the payment plan (**PP09**) to confirm your answer.
12. **The policy was cancelled by mistake. BillingCenter receives a request to reinstate the policy.**
    a) In the <u>**SU browser**</u>, go to the **Policy Summary**.
    b) In the <u>**SU browser**</u> in the **QuickJump** box, enter the debug command to reinstate the policy with a charge amount that is the same as the cancellation charge amount.
    c) What indicators do you see on the **Policy Summary** that the policy has been reinstated?
    d) Has a reinstatement fee been charged?
13. **To complete the picture of non-issuance transactions, you can renew the policy.**
    a) In the <u>**Student browser**</u>, go to the **Policy Summary**.
    b) Open the **Renew Policy wizard**, which is available for testing renewal processing.
    c) What fields are editable. Can you change the policy number? Can you change the payment plan?
    d) Click **Next** without making any changes.
    e) Add a **Premium** charge of **$5,980** and click **Finish**.
    f) What indicators do you see on the **Policy Summary** that this policy period is a renewal?