

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



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**