Lesson 4 Product Model Introduction

4.1 Matching exercise

Activity

In these lessons, you learned several terms that PolicyCenter uses. Your assignment is to match each listed term with the description that best defines the term. Click the *Matching Exercise* link on the course page to start the activity.

Stop

Lesson 5   Full Application Submission

5.1   Requirement

In the lesson demo, you saw how full applications work for a specific line of business. In this lab exercise, you will run through the wizard again to explore the various options.

5.2   Creating a full application submission

Activity

Create a full application submission for your choice of line of business.

1. **Log in to PolicyCenter using your student login. Imagine that you have just received a phone call from a customer requesting a quote for a new policy.**

2. **Decide which line of business you will create for this submission? Commercial Auto, Personal Auto, Commercial Property or Business owners.**

3. **Figure out which Account to work with using the information in the following sections. Search for the Account or create one.**

4. **Use the information provided under "Quote Specifications" to create the submission.**

5.2.1   Personal Auto

1. **Account:**

   In the default application, the Personal Auto policy line is only available to Person type accounts. Therefore, you must create a new person account. Use the following account details, or use one of the sample accounts listed in the **Introduction** section of this document.

   a) First Name: Joe
   b) Last Name: SmithXX
   c) Address: 100 Linden Street, San Jose CA 95134
   d) Address type: home
   e) Organization: Armstrong and Company
   f) Producer: Armstrong Premier

2. **Quote specifications:**

   Joe SmithXX wants a quote for a new personal auto policy with the following specifications:

   a) **Offerings**: Standard Program
   b) **Qualification**: Accept the defaults
   c) **Policy Info**: He wants an annual term for this policy. Underwriting Company: Acme Low Hazard Insurance

d) **Drivers**: Add Joe SmithXX as the driver

- **Contact Details** tab**:** Enter date of birth and all required fields.

- **Roles** tab: Enter year licensed and select 0 for the number of accidents and violations at the bottom of the tab.

e) **Vehicles**: Add a new vehicle. In the VIN field, type the number "15". The value of the vehicle is $75000. Set the license state and add Joe SmithXX as the assigned driver.

f) Coverages:

- **Comprehensive** with the highest deductible

- **Collision** with the highest deductible

- **Towing and Labor** at $25

- **No Rental Reimbursement**

- All the liability **coverages** at their default values (do not change anything)

g) Quote and issue the policy.

5.2.2 Commercial Auto

1. **Account:**

Dinah's Diner XX (Created in the Accounts lesson)

2. **Quote Specifications:**

Dinah's Diner needs a quote for a fleet of nine vehicles using the following details:

a) **Offering**: Standard Program

b) **Pre-Qualification**: Answer NO to all questions. The vehicles in the fleet are used less than 12 hours a day.

c) **Policy Info**: The customer wants an annual term for this policy. **Underwriting Company**: Acme Low Hazard Insurance, **Organization Type**: LLC.

d) **Commercial Auto Line**: Product: Business Auto, Fleet: Fewer than 10 units. Return to this page after creating vehicles and select liability limit.

e) **Locations**: Use the default

f) **Vehicles:** Create a vehicle with details, Garaged At: Existing Garage Location, Vehicle Type: Passenger Vehicle, VIN: 12, and Cost: $50000. Find the Vehicle Class Code information: All drivers experienced greater than 5 years and the Radius is Local. Search and select the resulting Class 0421. Click OK to save the new vehicle.

g) **Commercial Auto Line**: Return to this page after creating the vehicles. The product model is synced, and the liability limit coverage is added. Keep the defaults on the **Coverages** Tab.

h) **State Info**: Keep all defaults

i) **Drivers**: Do not add any

j) **Covered Vehicles**: Edit and select Liability under ANY. What happens when you edit this screen?

k) **Modifiers**: Click Next after viewing

l) **Risk Analysis**: Did anything come up here?

m) **Policy Review**: Review the results

n) **Quote the Policy**. If you get an error about liability coverage, go to the Commercial Auto Line page and select one. What is the premium you can quote the customer?

o) **Payment Screen**: Experiment with the Payment Schedule. How can this help a customer make a decision about the quote?

p) **Issue the policy**. Verify that the Submission status is Bound.

5.2.3   Commercial Property

1. **Account:**

Dinah's Diner XX

2. **Quote specifications:**

Dinah's Diner needs a new Commercial Property policy and calls to ask for a quote.

a) **Policy Info**: Organization: LLC. Keep all other defaults.

b) **Add a building** to the Location (required). In the Action column, click the dropdown arrow → Add Building → New Buildings. The building information is:

- Property Class Code: 0036
- Coverage Form: Building and Personal Property
- Coverages Tab: Remove the Business Income Coverage

c) Save and verify that Building #1 appears for the Primary location

d) Do not add any Blankets, and continue to the Policy Review.

e) Click **Rate** to get the premium

Since two step quoting is enabled for Commercial Property, a Rate button is displayed instead of Quote.

f) Click Finish Quote

g) **Issue** the submission.

5.2.4   Businessowners

1. **Account:**

Dinah's Diner XX

2. **Quote specifications:**

Dinah's Diner recently opened a small retail store and needs a quote for a businessowners policy. Find her account and create a new submission for a quote.

a) **Offerings**: Silver. Answer "No" to both the BOP Offering Questions.

b) **Qualification**: Keep the defaults

c) **Policy Info**: Organization: LLC. Keep all other defaults.

d) **Businessowners Line**: Small Business Type: Convenience Store, keep all other defaults

e) **Locations**: Keep the default

f) **Buildings**: Add a new building for this location. Select a Building Class Code, e.g., 0005. The Premium Basis Amount: $50000, the Building Limit: $50000, the Business Personal Property: $20000

g) Review through **Modifiers** and the **Risk Analysis** (any issues raised?).

h) **Quote the policy.** What is the premium for the Businessowners' policy quote?

i) **Issue** the policy

Stop

5.3   References

Review

What is a full application submission?

The goal of the submission process is for the producer or insurer to create a policy and obtain acceptance from the policy holder. To create a new submission, you need an account. See the Accounts lesson for further guidance.

When creating a new submission, you may either create a quick quote or a full application submission.

Quick Quote gathers the minimal information needed to generate a quote.

Full Application gathers the complete set of information needed to apply for a bindable quote.

We will be focusing on the Full Application Wizard in this lesson. For information about the Quick Quote Wizard, see the PolicyCenterdocumentation.

Tip

What is the difference between issuing and binding? Can I perform a bind-only?

An issuance job always occurs with a submission job. However, there are times that a user may choose to bind a submission without issuing it. Perhaps additional information needs to be collected that binding does not require but issuing the final policy contract does. To start an issuance job, the submission must already be bound, but not issued. In addition, no other open jobs may exist on the policy. PolicyCenter gives users the option to bind only, or to bind and issue policy submissions.